



City of North Chicago

COMMUNITY PROFILE

City of North Chicago

Located 33 miles north of downtown Chicago, and 48 miles south of downtown Milwaukee, on the shores of Lake Michigan, North Chicago is home to Naval Station Great Lakes, the Lovell Federal Health Care Center, healthcare giants Abbott and AbbVie and Rosalind Franklin University. Easily accessible by road, commuter and freight rail, air and water; North Chicago has a business friendly environment well suited for economic growth and long-term prosperity. Discover all that North Chicago has to offer.

Demographics

The total population of North Chicago is 32,574 (2010 Census) with a commuting daytime population change of +10,871 (30.3%). The state of Illinois covers 56,343 square miles, Lake County is 470 and the City of North Chicago is approximately 7.8 square miles.

Age Classifications*

Age Group	Total Population	
Under 15	5,679	17.4%
15-24	13,385	41.1%
25-34	5,888	18.1%
35-44	2,566	7.9%
45-54	2,103	6.5%
55-64	1,544	4.7%
65 and over	1,409	4.3%

Racial Classifications*

Race	Total Population	
White	15,601	47.9%
Black	9,746	29.9%
American Indian, Alaska Native	231	0.7%
Asian/Hawaiian	1,267	3.9%
Hispanic Origin Of Any Race	8,857	27.2%

*2010 Census

Current Estimated Population (2014 estimates)

Illinois	12,859,995
Lake County	705,186
North Chicago	30,395

Transportation

Less than 40 miles from Downtown Chicago and 25 miles from O'Hare International airport, North Chicago has access to major highways, commuter and freight trains, and is a short distance from 6 International, regional and private airports

Major Roadways

IL 43, IL 131, IL 137	Local
US 43	Local
IL 120	1 Mi. N
IL 176	2 Mi. S
I-94	2 Mi. W

Public Transportation

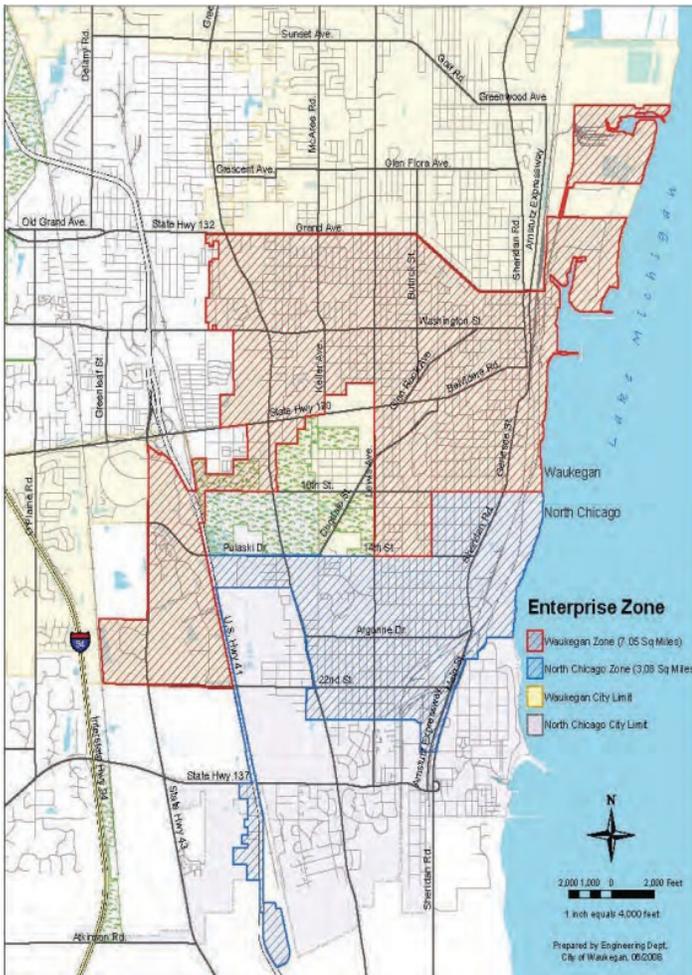
METRA Commuter Trains to Chicago
PACE Bus Routes: 563, 564, 566, 569, 573
PACE Dial-A-Ride Service

Airports

International	
Chicago - O'Hare	24 Mi. SW
Chicago - Midway	37 Mi. S
Milwaukee - Mitchell	43 Mi. N
Regional	
Waukegan Regional	7 Mi. N
Chicago Executive	14 Mi. SW
Private	
Campbell Field	11 Mi. W
	24 Mi. SW

Economic Development Incentives

Page 1 of 2



Enterprise Zone

A portion of the City of North Chicago falls within the Waukegan/North Chicago Enterprise Zone. The Illinois Department of Commerce and Economic Opportunity administers the Enterprise Zone Program, which is designed to encourage economic growth and neighborhood revitalization at the local level through various tax incentives, regulatory relief and improved governmental services. Enterprise Zones offer businesses a number of tax incentives to encourage job creation and job retention within their communities.

Investment Tax Credit

The investment tax credit allows a .5% credit against the state income tax for investments in qualified property which is placed in service in an Enterprise Zone. To qualify, a property must be newly built or have an improvement or addition made to it on or after the date the zone was designated.

Sales Tax Deduction

The cost of building materials that will be incorporated into real estate as part of a building project may be deducted from the sale receipts when calculating the tax imposed for these materials.

EZ Machinery and Equipment Sales Tax Exemption

A company in an Enterprise Zone may be able to receive a 6.25% sales tax exemption on all tangible property which is used or consumed within an Enterprise Zone in the process of manufacturing. To be eligible for this incentive the company must either, create 200 full-time jobs in Illinois or retain a minimum of 2,000 full-time jobs, or retain 90% of existing jobs when moving into the Enterprise Zone. The items and materials may be purchased anywhere in Illinois.

Job Tax Credits

A tax credit of \$500 per qualified employee may be given to an Enterprise Zone company that hires individuals who are certified as economically disadvantaged or as dislocated workers. These workers must be found through the local administrative office of the Workforce Investment Act.

Economic Development Incentives

Page 2 of 2

Utility Tax Exemption

A company in an Enterprise Zone may be eligible for a 5% state tax exemption on gas, electricity, the Illinois Commerce Commission .1% administrative charge and the excise taxes on originating telecommunications. Local units of government may also exempt their taxes on gas, electricity and water. To be eligible for these benefits, the company must meet one of three conditions: 1. The business must make an investment of at least \$5,000,000 into the Enterprise Zone and create a minimum of 200 full-time jobs; 2. Make an investment of \$175,000,000 in to the zone and create a minimum of 150 full-time jobs; 3. Make an investment of \$20,000,000 and retain at least 1,000 full-time jobs when moving into the zone. An eligible investment may be purchasing a building, the improvement/renovation of a building or investments in efficiency, capacity, product quality or competitive position.

Property Tax Incentives

A company in an Enterprise Zone may have the increase in property taxes due to new improvements or renovations abated. This is useful because every time a property is improved it is reassessed, and therefore the taxes increase. Typically, this incentive is marginally beneficial at best.

Income Tax Deduction for Financial Institutions

Financial institutions in Illinois are eligible for special deductions on their Illinois corporate income tax return. Such institutions may deduct from their taxable income an amount equal to the interest received from a loan for development in an enterprise zone. This is limited to the interest earned on loans or portions of loans secured by property which is in an Enterprise Zone.

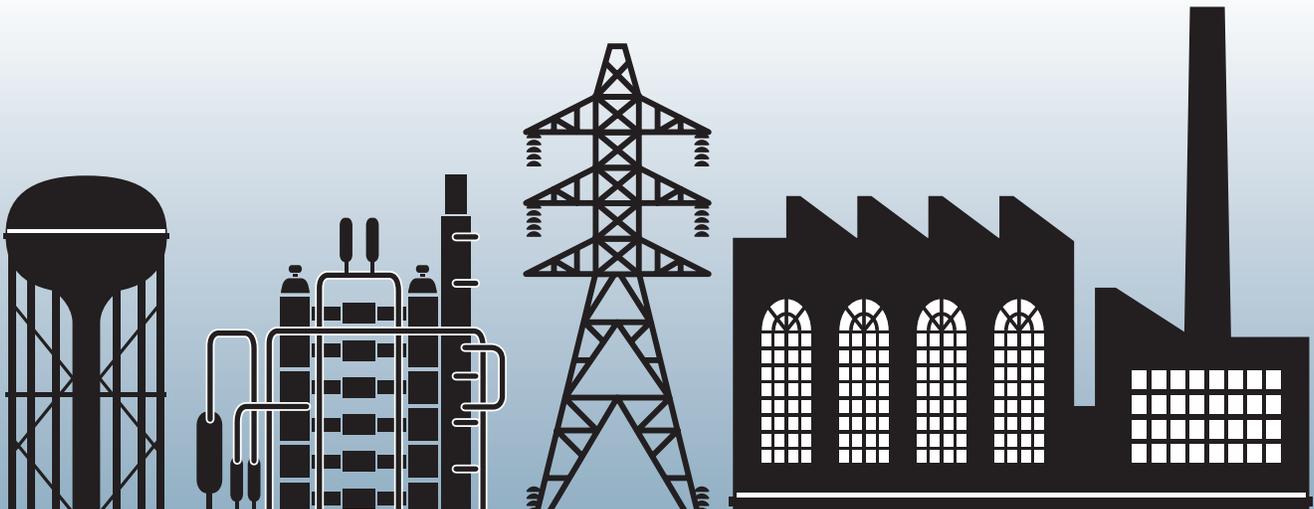
Dividend Deductions

Taxpayers may deduct from their taxable income an amount equal to those dividends which were paid to them by a corporation which conducts substantially all of its operations in an Enterprise Zone or zones.

Corporate Contribution Deductions

Corporations may make a donation to designated zone organizations for projects approved by the Illinois Department of Commerce and Economic Opportunity (DCEO), and claim an income tax deduction at double the value of their contribution as long as it is approved by the DCEO.

For more information, please contact City of North Chicago Mayor's Office: 847.596.8610 or info@northchicago.org



Tax Increment Financing/ Business Development Districts

North Chicago has created two Tax Increment Financing Districts pursuant to legislation of the State of Illinois. Tax Increment Financing (TIF) provides a governmental incentive to private developers or companies to stimulate new investment and job creation and/or retention. Property tax revenue is generated as a result of the new investment and the incremental tax revenues are used to pay for the incentives.

The Downtown TIF District, created in 2000, extends from south of 24th Street to 10th Street on the north, Broadway Avenue on the west and the Sheridan Road corridor on the east. This area also includes properties along Commonwealth and Morrow Avenues along with areas adjacent to Foss Park Avenue.

Sheridan Crossing TIF, encompassing upwards of 31 acres, was created in 2007 by extracting property from the Downtown TIF. The Sheridan Crossing TIF is bounded by Sheridan Road on the east, the E-J-E railroad on the north, Tantalum Place on the west, and Martin Luther King Jr. Drive on the south. Sheridan Crossings is an entertainment-tourism-retail destination project which will include a 40,000 square foot museum dedicated to the history of the American Sailor, a hotel, restaurants and retail establishments.

TIF assistance is offered by the City on the condition that the developer would not be able to proceed with the project at a reasonable rate of return “but for” the financial incentive. The type and amount of TIF assistance available to a developer depends on the property’s projected increase in incremental tax revenue and its impact on the surrounding area. State legislation authorizes that TIF funds may be used

for: demolition and site preparation; property acquisition; rehabilitation or renovation of existing public or private buildings; construction of public works or improvements; professional services such as architectural, engineering, legal, property marketing and financial planning; studies, survey and plans; financing costs, including interest assistance; job retraining programs; relocation; and day care services.

The City is presently exploring the possibility of creating a third TIF District, which would extend along Skokie Highway/IL Route 41 south from Buckley Road. Additionally, consideration is being given to the creation of Business Development Districts (BDD) along Skokie Highway, Martin Luther King Jr. Drive and Sheridan Road. A BDD functions much in the way a TIF does, but derives revenue not from property tax increment but rather from a special sales tax component.

If your property falls within the boundaries of either TIF District, and you are considering making improvements to your property, please contact the Economic and Community Development Department. A review of your plans and financials by the City will be necessary to determine if your project qualifies for TIF assistance.

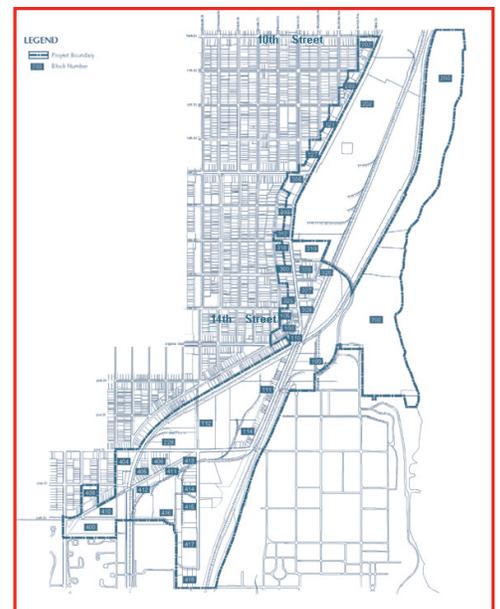


Figure 2.
Tax Increment Financing (TIF)
District Boundary Map

Lake County Partners



Lake County Partners (LCP), a 501C(3) economic development corporation, works to maintain economic vitality and quality of life in Lake County by creating and retaining jobs, stimulating capital investment, pursuing economic diversity and improving the County's business climate.

LCP offers a range of products and services to meet the needs of businesses, including:

- Site/Building Selection Assistance
- Information Clearinghouse
- Financing and Incentives
- Development Ombudsman
- Workforce
- Export Assistance
- Educational Programs and Networking Opportunities
- Business Advocacy

LCP can help you identify and secure federal, state and local resources, including:

- SBA 504 and SBA7(a) Loans
- LCP has been designated as a Certified Development Company in order to help companies access the SBA 504 Loan Program. This program offers long-term, fixed-rate, below market financing and lower equity requirements. LCP also works with partner banks to package SBA7(a) loans.
- *Industrial Revenue Bonds*. LCP serves as the processing agent for the Private Activity Bond

Clearinghouse, in conjunction with the Illinois Finance Authority. Industrial Revenue Bonds are tax exempt bonds issued to finance the capital expenditures of manufacturers, 501C(3) not-for-profit corporations and affordable housing projects. This type of financing can be used for the acquisition of fixed assets, such as land, buildings or equipment, and for renovation and new construction.

For more information, call Lake County Partners at (847) 247-0137 or visit their website at www.lakecountypartners.com.

For more information, please contact City of North Chicago Mayor's Office: 847.596.8610 or info@northchicago.org





Abbott

A Promise for Life

Illinois Department of Commerce and Economic Opportunity (DECO)

The Illinois Department of Commerce and Economic Opportunity (DECO) is responsible for enhancing Illinois' economic competitiveness by providing technical and financial assistance to businesses, local governments, workers and families.

Some of the programs they offer include:

- *Business Development Public Infrastructure Program.* Helps units of local governments provide infrastructure assistance to expanding or relocating businesses.
- *EDGE (Economic Development for a Growing Economy) Tax Credit.* Tax credits are calculated from the personal income tax collected on the salaries paid to employees in the new jobs created, which may be taken as a nonrefundable credit against corporate income taxes over a period not to exceed 10 taxable years.
- *Employee Training Investment Program (ETIP).* Reimburses individual or multi companies for up to 50% of approved training costs, typically between \$250 and \$750 per employee.
- *High Impact Business Designation.* Provides approved companies with tax incentives such as a sales tax exemption for building materials, investment tax credit, exemption from the state gas and electric tax and a state sales tax exemption on manufacturing repair and equipment repair and replacement.
- *Large Business Development Program.* Provides incentive financing to large, out-of- state companies looking to relocate facilities to Illinois and encourage existing Illinois companies to undertake major job expansion or retention programs in the state.
- *Manufacturer's Modernization Program.* Designed to provide manufacturers with access to adequate and affordable financing for upgrading and modernizing their manufacturing equipment and operations.
- *Participation Loan Program.* To help provide working capital, funds to purchase land and to construct/ renovate a building or buy new equipment.
- *Technology Grants and Programs for Businesses.* There are a number of technology grants and programs available for businesses.

Representatives from Lake County Partners are well-versed in these programs (see p. 6). You can also visit the DCEO website (www.commerce.state.il.us/dceo) for more information.

Illinois Department of Revenue



The Illinois Department of Revenue serves as the tax collection agency for state government and for local government.

Incentive programs available through the Department of Revenue include:

- **Investment Tax Credits.** A state investment tax credit of .5% is allowed a taxpayer who invests in a qualified property, such as machinery, buildings and equipment.
- **Manufacturers' Purchase Credit (MPC).** Qualified manufacturers may earn a credit equal to half of the state 6.25% tax by purchasing manufacturing or graphic arts equipment that qualifies for existing sales/use tax exemptions. Credits may be used to pay state sales tax or use tax on future purchase of qualified production-related tangible personal property.
- **Research and Development Credit.** Allows eligible companies to claim a 6.5% credit against their corporate income tax for research activities, in excess of similar expenses incurred during the previous three years.

Representatives from Lake County Partners are well-versed in these programs (see p. 7). Or you can visit the IDOR website (www.revenue.state.il.us/businesses) for more information.

Illinois Department of Transportation



The Illinois Department of Transportation (IDOT) is responsible for the multi-modal transportation systems in the state.

Incentive programs available through the Department of Transportation include:

- **IDOT Economic Development Program (EDP).** Provides up to 50% state matching funds for eligible roadway-related construction and engineering items.
- **IDOT Rail Freight Program.** Provide capital assistance to communities, railroads and shippers to preserve and improve rail freight services in Illinois.
- **IDOT Truck Access Route Program.** To help local government agencies to upgrade roads to accommodate 80,000 pound trucks.

Representatives from Lake County Partners are well-versed in these programs (see p. 7). Or you can visit the IDOT website (www.dot.state.il.us) for more information.

Labor Force

Lake County is a preferred location for Fortune 500 corporate headquarters – including *Walgreen Co.*, *Abbott*, *Baxter International*, *Discover Financial Services*, *CDW*, *Grainger*, *Tenneco*, and *United Stationers*. There are more than 100 biotechnology / pharmaceutical companies in Lake County, including 10 corporate headquarters

- Total sales of these companies (worldwide) exceeds \$57 billion.
- Includes chemical manufacturers, scientific research and development firms, and medical and diagnostic laboratories.
- The average wage for the bio pharma industry is \$89,636 – more than 45% higher than the overall average wage in Lake County, and more than twice the national average.
- Lake County has a highly educated and skilled workforce...41.5% of our population has at least a bachelor's degree, compared with 34.0% for the Chicago metro area and 28.2% nationwide.
- federal government, rose faster than all but one other large county in the nation during the third quarter of 2015.
- Wages grew 11.7 percent over the same quarter the previous year. That gain was far greater than the 2.6 percent national average tracked by the Bureau of Labor Statistics.
- Lake County's gains, which came primarily from pharmaceutical and medical manufacturing, far surpassed other Illinois counties, according to the data.

Workforce

- These 100 + firms employ more than 19,000 people. In other words .5% of the businesses in Lake County employ nearly 6.3% of the workforce.

The Chicago Tribune reports that Lake County pay increases, measured by the

Parks and Recreation

- Foss Park District operates 7 local parks, playgrounds and skate/bike park facilities spanning 7 acres of land.
- Lighted ball fields and tennis courts.
- Special events and recreational programming for families, children and adults
- 2 local golf courses, Foss Park and Willow Glen. 43 total courses in Lake County.
- Lake County Forest Preserves operates the Greenbelt Forest Preserve, Greenbelt Cultural Center.
- Robert McClory Trail provides access to miles of trails for pedestrians, bicycling and rollerblading.

For more information, please contact City of North Chicago Mayor's Office: 847.596.8610 or info@northchicago.org



Housing

North Chicago has a variety of housing options, including single-family detached and attached dwellings, two-flats, townhouses and apartments. The 2015 Median Home Value was \$138,814.

2015 Households 6,442

2015 Average Household Size 2.99

2015 Housing Units 7,851

Owner Occupied Housing Units	29.2%
Renter Occupied Housing Units	52.9%
Vacant Housing Units	17.9%

Income and Education

Lake County has a highly educated workforce with 41.5% of residents having a bachelor degree or higher, exceeding the national average by over 13%.

2015 Household by Income

Household Income Base 6,441	
<\$15,000	16.0%
\$15,000 - \$24,999	10.1%
\$25,000 - \$34,999	12.6%
\$35,000 - \$49,999	16.6%
\$50,000 - \$74,999	19.1%
\$75,000 - \$99,999	10.9%
\$100,000 - \$149,999	9.2%
\$150,000 - \$199,999	2.9%
\$200,000+	2.7%
Average Household Income	\$59,376

School Info

- North Chicago is served by North Chicago Community Unit School District 187.
- Public: 1 Pre-K, 2 K-2 grade level centers, 2 3-5 schools, 1 middle school and 1 high school.
- 2 charter schools serving grade K-8.

School District Statistics (2015)

Elementary (K-8)

Pupil Teacher Ratio	18.4:1
\$ Spent per Pupil	\$12,926

High School (9-12)

Av. Class Size	17.7
\$ Spent per Pupil	\$12,926
Avg. ACT Score	15.9
% Graduated	67.8%

2015 Population 25+ by Educational Attainment

Total 12,893	
Less than 9th Grade	12.0%
9th - 12th Grade, No Diploma	9.3%
High School Graduate	21.9%
GED/Alternative Credential	3.2%
Some College, No Degree	27.1%
Associate Degree	6.5%
Bachelor's Degree	13.9%
Graduate/Professional Degree	6.1%

Community Highlights

North Chicago is home to two of the largest employers in Lake County, Naval Station Great Lakes and Abbvie.

Naval Station Great Lakes – In 1911, the Naval Station Great Lakes was built directly south of North Chicago to provide U.S. naval training in the Midwestern United States. Naval Station Great Lakes was annexed by the City in the 1960s. Due to military base closures in Orlando and San Diego, Great Lakes operates as the Navy's only recruit training center. Its training commands and schools proudly graduate more than 80,000 recruits and sailors every year. More than two million sailors have been trained here since 1911. Great Lakes host numerous visitors annually, who travel from every state in the Union and all parts of the globe.

Captain James A. Lovell Federal Health Care Center – Another major government employer in the City is the Veterans' Administration Medical Center, whose mission is: "We are a caring community, proud to provide patient centered, coordinated health care to Veterans, Navy and all VA/DoD sharing patients." It is the nation's first

fully integrated Veteran's Affairs and Department of Defense entity.

The Rosalind Franklin University of Medicine and Science – The Rosalind Franklin University of Medicine and Science is a four year university that was built around the Chicago Medical School (CMS), and has been educating physicians and furthering biomedical research for 93 years. The school trains physicians and professionals in a variety of health fields, including audiology/speech pathology, biomedical engineering, dental assisting, medical technology, pharmacy, nursing, physical therapy, podiatry, psychology, social work, and many other areas. It also provides graduate-level education for biomedical researchers and teachers.

Abbvie – The world headquarters for AbbVie, is located in the City of North Chicago. AbbVie is a research-based biopharmaceutical manufacturer with a portfolio of more than 40 medicines and is listed as one of 33 Illinois companies on the Fortune 500.

Abbott – The City's industrial base is largely characterized by the presence of Abbott World Headquarters just outside the municipal borders. Abbott specializes in diversified products including medical devices, diagnostic equipment and nutrition products. Abbott also has facilities in the municipal borders of the City of North Chicago.

Other major businesses with a presence in North Chicago include Liberty Coach (manufacturers of custom coach busses for celebrities and others), Goelitz Candy Company (parent company of Jelly Belly), Coffee Fresh (wholesale micro-technology roaster), Ivy Lane Design (manufacturers of bridal and prom assortments), West Rock (a leading global packaging company), ULINE (distributor of shipping, industrial, and packing materials), EMCO Chemical Distributors and P&G.

For more information, please contact City of North Chicago Mayor's Office: 847.596.8610 or info@northchicago.org

