

## **ECONOMICS TREND STATEMENTS**

Trend Statement #1: The growth in the number of people in high- income brackets is faster than the growth of people in low-income brackets and the gap is growing.

Trend Statement #2: Unemployment is and will continue to remain historically high and based more on long-term employment cycles rather than short-term trends.

Trend Statement #3: Between 2002 and 2006, Will County's inventory growth, as measured by square footage, increased by a larger percentage than metro Chicago's available inventory space.

Trend Statement #4: Logistics storage and transportation is increasingly becoming an economic driver in Will County.

Trend Statement #5: Traffic congestion and major transportation delays in the area served by district 525 will increase significantly in the next three to five years.

Trend Statement #6: As a result of the housing industry collapse of 2008, housing values have decreased, foreclosures have risen, and the number of vacant homes has increased. This could lead to a deflated tax base.

Trend Statement #7: Through 2014, Will County will experience a decrease in its manufacturing economy. The economy will shift to professional and business services, financial activities, transportation and warehousing, education, health care and hospitality.

Trend Statement #8: While Will County is projected to experience growth in residences, industrial space and transportation capacity, it is projected to have relatively flat growth in employment through 2012, with growth mostly in low wage, low-skill occupations.

Trend Statement #9: The U.S., by far, consumes more resources per person than any other large and developed country in the world. Growing regions with available natural resources and space, like the JJC district, will likely want to incorporate sustainable efforts in planning and development.

Trend Statement #10: The increasing gap between rich and poor residents in the district will continue to be reflected in the worsening disparity between rich and poor school districts as well.

Trend Statement #11: Local municipalities and counties will encounter lower tax revenues and higher outlays and expenses.

Trend Statement #12: After years of dwindling space devoted to agricultural and natural areas, there could be an increased interest in the preservation of natural areas and agricultural land.

**Trend Statement #1: The growth in the number of people in high- income brackets is faster than the growth of people in low-income brackets and the gap is growing.**

**Rationale:**

Income growth for households in Will County has grown at the extreme low and high income groups, with flatter growth in the middle, as illustrated by the following table (U.S. Census Bureau, 2010a):

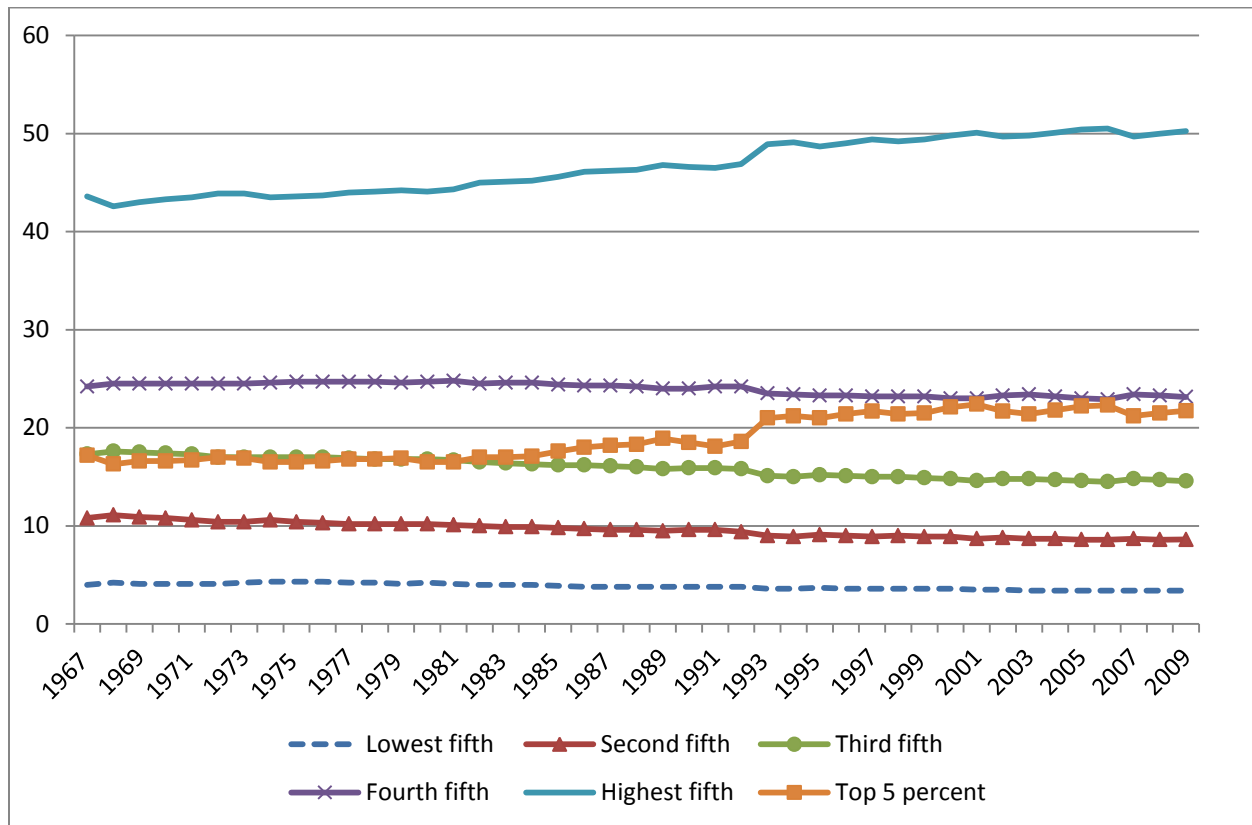
Income Group	1999	2009	% change
Less than \$10,000	6,422	7,033	9.5%
\$10,000 to \$14,999	5,034	5,526	9.8%
\$15,000 to \$24,999	12,262	12,794	4.3%
\$25,000 to \$34,999	14,751	15,465	4.8%
\$35,000 to \$49,999	23,838	24,429	2.5%
\$50,000 to \$74,999	41,658	42,395	1.8%
\$75,000 to \$99,999	28,499	36,787	29.1%
\$100,000 to \$149,999	24,652	42,427	72.1%
\$150,000 to \$199,999	5,978	15,453	158.5%
\$200,000 or more	4,508	10,320	128.9%

Starting in the early 1970's, the Gini Coefficient has increased steadily (Jones & Weinberg, 2000). The Gini Coefficient is a measure of income inequality, with the higher number representing a higher level of inequality.

According to The Economist, the gap between the rich and poor in the U.S. is larger than in any other developed country and is growing larger. The share of aggregate income going to the top 1% of Americans has increased from 8% in 1980 to 16% in 2004; the share going to the top 10% increased from 2% to 7% during the same time period. The top .01% (or 14,000 income earners in the U.S.) now earn 3% of all income in the U.S., up from 0.65% in 1980 (The Economist, 2006; The Economist, 2007).

In 1982, the top 10% of income earners earned about 33% of all income in the U.S. (excluding capital gains). By 2007, the percentage had increased to 46%. In 1973, the top 1% of income earners in the U.S. earned 8% of all income. By 2008, their income share had increased to 18%. In 1973, the top 0.1% of income earners in the U.S. earned 2% of all income. By 2008, their income share had increased to 8% (Noah, 2010).

According to the U.S. Census Bureau (2010b), income has risen the most for the highest 5% and highest fifth of the U.S. population between 1967 and 2009. Income has steadily declined or remained slightly flat for the other 80% of the U.S. population during the same time period.

*Income Shares by Quintile and Top Five Percent, 1967-2009*

Frank and Cook (1996) explored this topic in *The Winner Take All Society: Why the Few at the Top Get So Much More Than the Rest of Us*. Derek Bok (1993) also explored it in *Derek Bok, The Cost of Talent: How Executives and Professionals Are Paid and How It Affects America*. According to these authors, income inequality was historically confined to a few select fields (entertainment, sports, etc.), the acceleration of a few at the top gaining a larger share of resources has extended to the worlds of business, education, legal services, and other sectors of the economy.

**Sources:**

Bok, D. (1993). *The Cost of Talent: How Executives and Professionals Are Paid and How It Affects America*. New York: Free Press.

*The Economist*. (2006, June 15). The Rich, the Poor, and the Growing Gap Between Them.

*The Economist*. (2007, August 30). A bit richer, but a bit sicker.

Frank, R., & Cook, P. (1996). *The Winner Take All Society: Why the Few at the Top Get So Much More Than the Rest of Us*. New York: Penguin.

Jones, A., & Weinberg, D. (2000, June). *The Changing Shape of the Nation's Income Distribution*. U.S. Census Bureau. Online: <http://www.census.gov/prod/2000pubs/p60-204.pdf>

Noah, T. (2010, September). The Great Divergence. *Slate Magazine*. Online:  
<http://www.slate.com/id/2266025/entry/2266026/>

U.S. Census Bureau. (2010a). *American Fact Finder*. Online:  
[http://factfinder.census.gov/home/saff/main.html?\\_lang=en](http://factfinder.census.gov/home/saff/main.html?_lang=en)

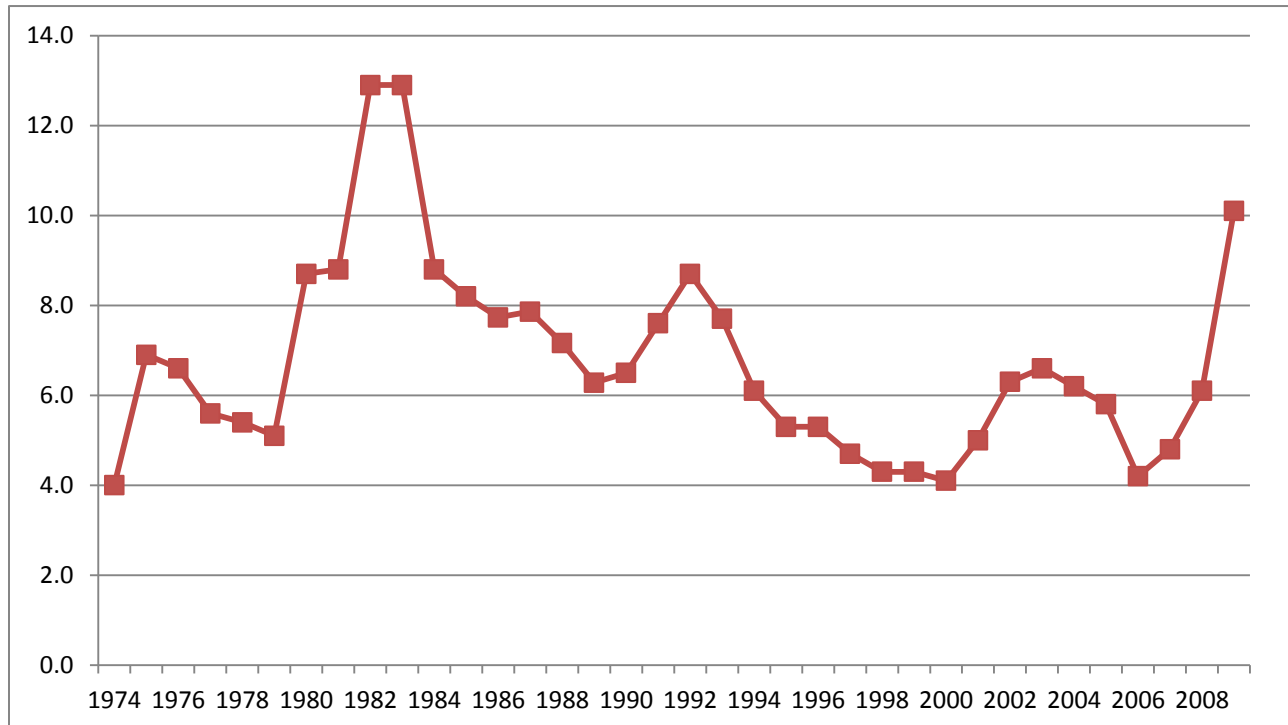
U.S. Census Bureau. (2010b). *Income Inequality*. Online:  
<http://www.census.gov/hhes/www/income/data/historical/inequality/index.html>

**Trend Statement #2: Unemployment is and will continue to remain historically high and based more on long-term employment cycles rather than short-term trends.**

**Rationale:**

Unemployment in Will County has risen three years in a row. The 2009 rate was the second highest rate in the last 35 years after the high unemployment rates of 1982-83, as demonstrated by the chart below (CMAP, 2010; IDES, 2010):

*Unemployment Rate in Will County, 1974-2009*



Preliminary evidence indicates only a very small, minor downturn for 2010 and one that is based primarily on underemployment. Job growth in Will and Grundy Counties fell two years in a row, for 2008-09 and 2009-10 (Fera, 2010).

Economists project that a variety of factors will likely lead to continued high unemployment, including financial insecurity in markets, declining levels of personal consumption, deflation, and excessive levels of cash sitting in reserves (Kleppner & Kaslow, 2009).

According to Hewings and Vera (2010), “the Illinois economy shares a similar economic structure to the nation, yet job growth has lagged the rest of the country” (p. 37). Unless there are dramatic structural changes, there is little evidence to support the idea that this will not continue.

The unemployment rate in Will County in 2009 and 2010 is greater than the rest of the state of Illinois and the nation as a whole (Workforce Investment Board of Will County, 2010).

**Sources:**

Chicago Metropolitan Planning Agency. (2010). *Regional Chicago Planning Datasets*. Online: <http://www.metropulse.com>.

Fera, P. (2010, November 30). *Economic Update and Workforce Resources*. Will County Workforce Investment Board.

Hewings, G., & Vera, R. (2010). The Regional Economies of Illinois: Will the Jobs Return? When? In *The Illinois Report: 2010*. University of Illinois Institute of Government and Public Affairs. Online: [http://igpa.uillinois.edu/IR\\_2010/](http://igpa.uillinois.edu/IR_2010/)

Illinois Department of Employment Security. (2010). *Local Area Unemployment Statistics*. Online: <http://lmi.ides.state.il.us/laus/laushis.htm>

Kleppner, P., & Kaslow, Y. (2009, March). *Illinois Workers in Crisis*. Northern Illinois University Center for Government Studies. Online: [http://www.stateofworkingillinois.niu.edu/swil/pubs/swil\\_brief\\_2009\\_il\\_workersincrisis.pdf](http://www.stateofworkingillinois.niu.edu/swil/pubs/swil_brief_2009_il_workersincrisis.pdf)

Will County Workforce Investment Board. (2010, July). *Workforce Analysis of Targeted Industries in Will County*.

**Trend Statement #3: Between 2002 and 2006, Will County's inventory growth, as measured by square footage, increased by a larger percentage than metro Chicago's available inventory space.**

**Rationale:**

According to the Will County Center for Economic Development (2010), "Will County industrial space increased by 125% in the last decade. The majority of this new space is being used for distribution and logistics activities."

Between 2000 and 2007, Will County added more than 65 million square feet of new industrial space (Will County Center for Economic Development, 2008).

Cain (2007) noted that, in spite of a cooling housing market, commercial construction in Will County continues to grow. This is largely the result of low industrial tax rates and the availability of inexpensive land.

Will County recently constructed Center Point Intermodal Facility, the nation's largest master planned inland port (Will County Center for Economic Development, 2009).

**Sources:**

Cain, C. W. (2007, July 11). Logistics Leads Job Growth in Will County. *Joliet Herald News*, p. A9.

Will County Center for Economic Development. (2008). *Will County Illinois: The Midwest Empire for Business Growth and Development*.

Will County Center for Economic Development. (2009). *Chicagoland's Intermodal Growth Corridor*.

Will County Center for Economic Development. (2010, September). *Inland Port Study*. Online: [http://www.willcountyced.com/about/document\\_library.aspx](http://www.willcountyced.com/about/document_library.aspx)

**Trend Statement #4: Logistics storage and transportation is increasingly becoming an economic driver in Will County.**

**Rationale:**

Evidence suggests large labor market growth in terms of employment in transportation, logistics, warehousing and storage (see Labor Market trend #1 for rationale and further data).

In an article that appeared in the *Business Ledger*, CEO of the Will County Center for Economic Development (CED) notes that Will County is on the verge of a “transportation explosion” due to the following:

- I-355 extension involving over 20,000 acres of undeveloped land.
- Completion of the Illiana Expressway, connecting I-65 in Indiana with I-57 in Will County.
- Legislation creating a Will County Airport Authority and a Regional Development district around the airport.

The Will County Center for Economic Development (2007) *Transportation Blueprint for Will County*, as approved by the CED Board of Directors, notes 11 state and three local major road projects in Will County, two major aviation projects, and more rail/transit and water projects.

The number of imports from Asia is increasing at a very large and fast pace. Asian exports enter Los Angeles, and then are transferred to Chicago on rail and truck to be sorted. As a result, the metropolitan Chicago area has tripled its warehouse size since 2000. Due to less expensive property, lower taxes, faster municipal approval processes, and convenient location, the I-55/I-80 corridor is projected to witness more storage capability and industrial traffic (Will County Center for Economic Development, 2007).

Logistics and transportation are increasingly becoming an economic driver in Will County, primarily due to its geographic location and availability of land. A report from the Will County Center for Economic Development and Workforce Investment Board of Will County (2004) noted that Will County is in an ideal location in terms of freight and passenger transportation and storage due to its current and future potential of commuter rail, freight rail, highways, airports, and navigable waterways. In addition, three major interstates pass through the county and intersect in the JJC district (I-80, I-55, and I-57), there are four general aviation airports along with close proximity to one major airport and a proposed third metropolitan Chicago airport, six major freight railroads, and 21 barge terminals.

The following table from the Will County Land Use Department (2009) projects tremendous growth in all travel corridors and arterials throughout the county.

TABLE 6-6  
Comparison of Traffic Performance

Functional Class	VMT		VHT		VHD	
	Δ Miles	Δ %	Δ Hours	Δ %	Δ Hours	Δ %
<b>2004–2030 All Highways</b>						
Freeways and Ramps	3,652,660	76.3	77,460	75.7	21,920	650.4
Principal Arterials	3,025,940	77.8	88,390	86.5	17,870	275.8
Minor Arterials	1,492,470	79.9	47,930	99.8	11,020	910.7
Collectors	1,362,040	115.0	39,910	122.5	4,980	939.6
Locals	1,500,430	233.2	47,910	251.1	2,570	2,336.4
Totals	11,033,540	89.1	301,600	99.2	58,360	498.8
<b>2004–2030 County Highways</b>						
Principal Arterials	736,730	99.0	21,250	115.2	4,580	492.5
Minor Arterials	507,670	101.0	16,660	138.1	4,500	1071.4
Collectors	606,230	144.6	16,220	162.9	1,870	1,246.7
Locals	116,360	116.7	2,510	118.4	200	2,000.0
Totals	1,966,990	111.4	56,640	133.0	11,050	738.4

\*VMT = Vehicle Miles of Travel; VHT = Vehicle Hours of Travel; VHD = Vehicle Hours of Delay

#### Sources:

Grueling, J. (2007, June 25). All Roads Lead to Will County. *Business Ledger*. Online: <http://www.c-e-d.org/documents/AllRoadsLeadtoWillCounty.pdf>

Will County Center for Economic Development and Workforce Investment Board of Will County. (2004, January). *Target Industry and Workforce Analysis*. Online: <http://willcountyworkforceboard.com/PDF/WillCoFinalReportExecSummaryNew.pdf>.

Will County Center for Economic Development. (2007). *Transportation Blueprint for Will County*. Online: <http://www.willcountyced.com/CED-blueprint.pdf>.

Will County Land Use Department. (2009, March). *2030 Transportation Framework Plan*. Online: <http://www.willcountylanduse.com/AdminDiv/Documents/2030TFP/index.html>

**Trend Statement #5: Traffic congestion and major transportation delays in the area served by district 525 will increase significantly in the next three to five years.**

**Rationale:**

The Will County Land Use Department (2009) projects tremendous growth in all travel corridors and arterials throughout the county (see Economics Trend #4 for further rationale and data).

Will County residents tolerate longer commute times to work than people in other regions. Will County residents commute an average of 32.1 minutes to work, the 10th highest in the nation. 2% of Will County workers commute at least 90 minutes to work, the 12th highest rate in the nation (JJC, 2004).

The percent of Will County workers who commute 30 minutes or more to work is projected to increase from 47.1% to 51.3% between 2000 and 2012 (Northern Illinois University, 2008).

More Will County residents work outside of Will County than in Will County. 70% of Will County residents and 71% of Grundy County residents travel outside the county to work (Fera, 2010).

About 10% of bridges in Will County are structurally deficient, according to the National Bridge Inventory (CMAP, 2010).

In 2002, Will County had the third highest average minutes of motorist delay at highway rail crossings of the six Chicago suburban counties, a rate that has likely increased dramatically since 2002 (CMAP, 2010).

Will County residents own more vehicles per household than the rest of Illinois and the U.S., as illustrated by the following table using 2008 data (CMAP, 2010; U.S. Census Bureau, 2010):

Vehicles	Will County		Illinois		U.S.	
	No.	% of total	No.	% of total	No.	% of total
No vehicles available	7,912	3.7%	492,217	10.4%	9,909,977	8.8%
1 vehicle available	50,812	23.9%	1,643,302	34.6%	37,402,718	33.2%
2 vehicles available	100,431	47.2%	1,781,119	37.5%	42,768,605	38.0%
3 or more vehicles available	53,474	25.1%	832,750	17.5%	22,529,729	20.0%

**Sources:**

Chicago Metropolitan Planning Agency. (2010). *Regional Chicago Planning Datasets*. Online: <http://www.metropulse.com>.

Fera, P. (2010, November 30). *Economic Update and Workforce Resources*. Will County Workforce Investment Board.

Joliet Junior College Office of Institutional Effectiveness and Research. (2004, April). *Where district 525 Residents Work*. Online: <http://www.jjc.edu/about/college-info/institutional-research/Documents/employment/where-district-525-residents-work.pdf>

Northern Illinois University. (2008). *Will County Market Facts: 2008*. Online: <http://www.illinoisdata.com/marketfacts/will.pdf>

U.S. Census Bureau. (2010). *American Fact Finder*. Online:  
[http://factfinder.census.gov/home/saff/main.html?\\_lang=en](http://factfinder.census.gov/home/saff/main.html?_lang=en)

Will County Land Use Department. (2009, March). *2030 Transportation Framework Plan*. Online:  
<http://www.willcountylanduse.com/AdminDiv/Documents/2030TFP/index.html>

**Trend Statement #6: As a result of the housing industry collapse of 2008, housing values have decreased, foreclosures have risen, and the number of vacant homes has increased. This could lead to a deflated tax base.**

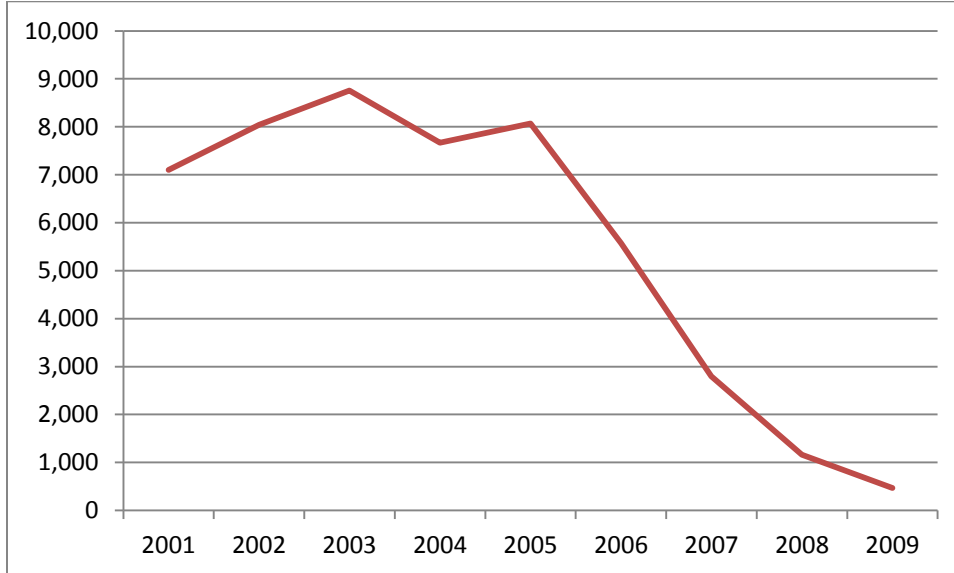
**Rationale:**

The number of permits issued for privately-owned buildings in Will County has come to a grinding halt, as illustrated by the table and chart below (U.S. Census Bureau, 2010a):

*Permits Issued for Privately-owned Residential Buildings and Units in Will County, 2001-09*

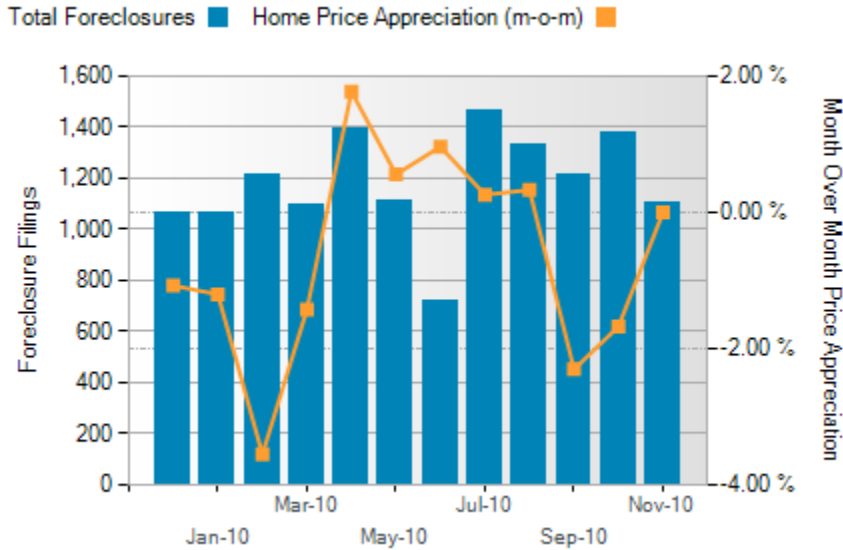
Year	Buildings	Annual change	Units	Annual change
2001	7,100	n/a	7,396	n/a
2002	8,040	13.2%	8,440	14.1%
2003	8,758	8.9%	9,070	7.5%
2004	7,665	-12.5%	7,997	-11.8%
2005	8,071	5.3%	8,166	2.1%
2006	5,571	-31.0%	5,882	-28.0%
2007	2,794	-49.8%	2,835	-51.8%
2008	1,162	-58.4%	1,222	-56.9%
2009	469	-59.6%	517	-57.7%

*Permits Issued for Privately-owned Residential Buildings Will County, 2001-09 (chart derived from the previous table)*

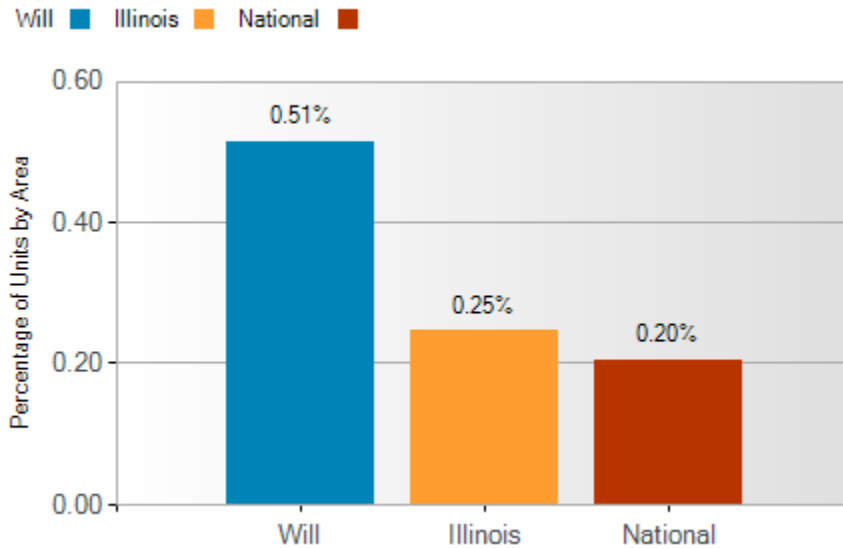


According to Realty Trac, foreclosures are continuing to increase slightly. Additionally, foreclosure rates are higher in Will County than in the rest of Illinois and the U.S. (Realty Trac, 2010).

*Total Foreclosures in Will County, 2010 (from Realty Trac)*



*Total Foreclosures in Will County, Illinois, and the U.S., 2010 (from Realty Trac)*



Nationally, homeowner vacancy rates are at the highest level since the U.S. Census Bureau (2010b) started tracking vacancy rates in 1956. Nationally, the rates have hovered between 2.5% and 3.0% over the last three years.

Vacancy rates in Will County have historically been higher than DuPage, Kane, and Kendall Counties, but lower than McHenry, Lake, and Cook Counties (CMAP, 2010).

Declines in quarterly housing starts have decreased in the entire Chicago metropolitan area, but have been most dramatic in Will County. In the second quarter of 2005, there were 2,412 housing starts in Will County. By the fourth quarter of 2008, that number had fallen to 160 (CMAP, 2010).

According to the Center for Tax and Budget Accountability (2010), the combination of a relatively low national tax burden (which has not led to job growth or creation in Illinois) and structural deficits that policy makers are unwilling to address could lead to a deflated tax base.

**Sources:**

Center for Tax and Budget Accountability. (2010, October). *Funding Our Future*. Chicago, IL.

Chicago Metropolitan Planning Agency. (2010). *Regional Chicago Planning Datasets*. Online: <http://www.metropulse.com>.

Realty Trac. (2010). *Statistics on Foreclosure Rates*. Online: <http://www.realtytrac.com/trendcenter>

U.S. Census Bureau. (2010a). NAICS 23, *Construction Data Tables*. Online: <http://www.census.gov/econ/construction.html>.

U.S. Census Bureau. (2010b). *Housing Vacancies and Home Ownership Data Files*. Online: <http://www.census.gov/hhes/www/housing/hvs/hvs.html>.

**Trend Statement #7: Through 2014, Will County will experience a decrease in its manufacturing economy. The economy will shift to professional and business services, financial activities, transportation and warehousing, education, health care and hospitality.**

**Rationale:**

In 1990, about 35% of all wages in Will County were in the manufacturing sector. In 2006, it was 17%. In 1990, 2000, and 2006, the percent of Will County employees in manufacturing decreased from 14.6% to 11.1% to 9.4%. Services increased from 26.3% to 28.9% to 31.0% during the same time period (JJC, 2007; U.S. Bureau of Economic Analysis, 2010; Will County Center for Economic Development, 2004).

In terms of labor market growth, manufacturing is projected to witness a decrease between 2004 and 2014. Professional and business services, financial activities, transportation and warehousing, education, health care, and hospitality are all projected to witness increases (see Labor Force trend statement #2 specifically and other Labor Force trend statements in general for rationale and sources).

**Source(s):**

Joliet Junior College Office of Institutional Research & Effectiveness. (2007, January). *Change in the JJC district*. Online: [http://www.jjc.edu/admin/ie/Information/District/JJC\\_District\\_Summary\\_General\\_Session.pdf](http://www.jjc.edu/admin/ie/Information/District/JJC_District_Summary_General_Session.pdf).

U.S. Bureau of Economic Analysis. (2010). *Regional Economic Accounts Data*. Online: <http://www.bea.gov/>

Will County Center for Economic Development. (2004). *State of the Workforce*. Online: [http://willcountyworkforceboard.com/PDF/SOW\\_WILL.pdf](http://willcountyworkforceboard.com/PDF/SOW_WILL.pdf).

**Trend Statement #8: While Will County is projected to experience growth in residences, industrial space and transportation capacity, it is projected to have slightly higher comparable growth in employment through 2016, with growth mostly in low wage, low-skill occupations.**

**Rationale:**

The JJC district is projected to witness an 11% growth in employment change between 2006 and 2016. This is higher than the statewide projection between 2008 and 2018 of 8.7% (IDES, 2010). According to the Will County Center for Economic Development (2004), projected employment growth will be the highest in low-skill, low-wage occupations.

**Sources:**

Chicago Metropolitan Planning Agency. (2010). *Regional Chicago Planning Datasets: Land Use Inventory Datasets*. Online: <http://www.cmap.illinois.gov/land-use-inventory>.

Illinois Department of Employment Security. (2010). *Employment Projections for Community College Districts, 2006-2016*. Online: [http://lmi.ides.state.il.us/projections/ccd\\_proj.htm](http://lmi.ides.state.il.us/projections/ccd_proj.htm)

Will County Center for Economic Development. (2004). *State of the Workforce*. Online: [http://willcountyworkforceboard.com/PDF/SOW\\_WILL.pdf](http://willcountyworkforceboard.com/PDF/SOW_WILL.pdf).

**Trend Statement #9: The U.S., by far, consumes more resources per person than any other large and developed country in the world. Growing regions with available natural resources and space, like the JJC district, will likely want to incorporate sustainable efforts in planning and development.**

**Rationale:**

A report from the Center for Environment and Population (CEP, 2006) notes that three land-use changes have the largest impact on the environment: sprawl development, new housing, and increased vehicle and road systems. All three of these characteristics will be present in the JJC district in the next five to ten years.

As of 2006, Illinois ranked fifth in the nation in annual loss of farmland behind Texas, Ohio, Georgia, and North Carolina. Loss of farmland has been shown to alter ecosystems and biodiversity. Harvested acres fell by almost 20% in Will County between 1997 and 2002, from about 267,000 to about 245,000 (American Farmland Trust, 2006; Northern Illinois University, 2010).

Will County has an unusually high large usage rate for deep bedrock aquifer use, using 38 million gallons per day in 2005, compared to 10 million in DuPage, 6 million in Kendall, and 11 million in Cook Counties (CMAP, 2010).

Overall, Will County environmental quality indicators are comparable to slightly more positive than Chicago metropolitan counties, particularly in air quality (CMAP, 2010).

**Sources:**

American Farmland Trust. (2006). *Farming on the Edge: Listing of Loss by State*. Online: <http://www.farmland.org/resources/fote/states/allStates.asp>.

Center for Environment and Population. (2006). *U.S. National Report on Population and the Environment*. Online: <http://www.cepnet.org/documents/USNatlReptFinal.pdf>.

Chicago Metropolitan Planning Agency. (2010). *Regional Chicago Planning Datasets*. Online: <http://www.metropulse.com>.

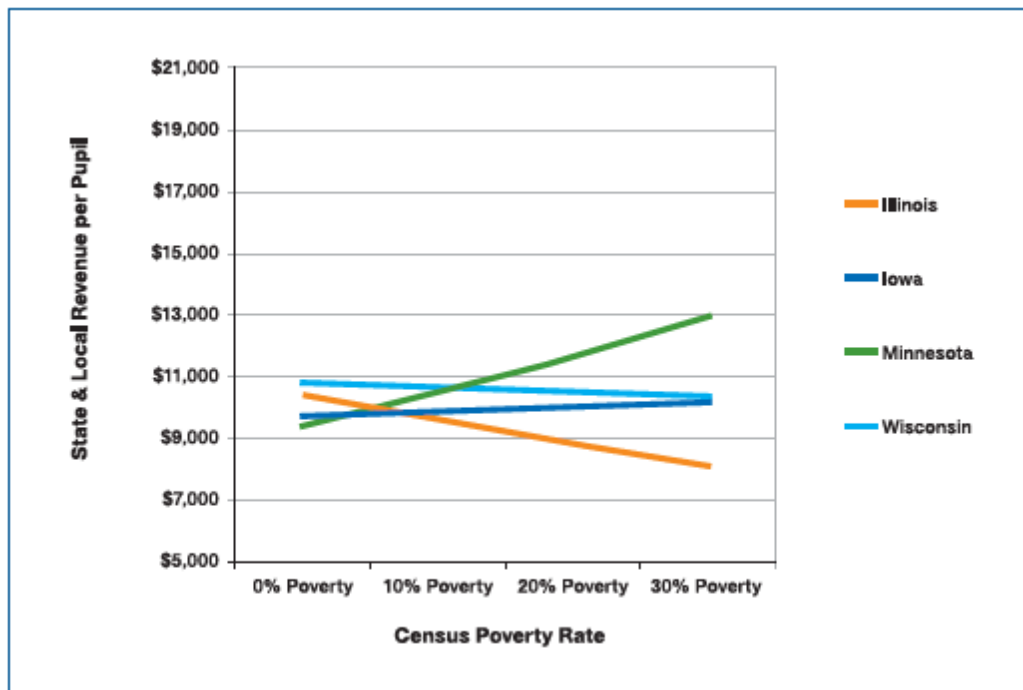
Northern Illinois Regional Illinois Development Institute. (2007). *Northern Illinois Marketfacts*. Online: <http://www.rdiniu.org/publications/marketfacts.htm>.

**Trend Statement #10: The increasing gap between rich and poor residents in the district will continue to be reflected in the worsening disparity between rich and poor school districts as well.**

**Rationale:**

There is a clear gap between the rich and poor in the JJC district (and nation and Illinois; see Economics Trend statement #1 for rationale and data).

In an analysis of disparities between school districts, Illinois was one of four states to receive a grade of “F.” Illinois is one of only a few states that are regressive in revenue per pupils, with schools at 0%, 10%, 20%, and 30% poverty rates receiving \$10,430, \$9,589, \$8,816, and \$8,105. A chart from the study demonstrates this phenomenon (Education Law Center, 2008):



Illinois also received a grade of “F” in spending equity from a study by Education Week (

Illinois as a whole is already witnessing one consequence of this in the increasing gap between rich and poor school districts. For instance:

- The Equalized Assessed Valuation of school districts in Illinois with the greatest amount of low income students is five times less than the percentage of the districts with the smallest low-income population (CTBA, 2008).
- Teacher salaries and the percent of teachers with Masters Degrees are lower at low-income schools (CTBA, 2008).
- Students at low-income schools witness lower test scores and success rates (CTBA, 2008).
- Spending per pupil in Illinois ranges from over \$22,500 in high-income districts to \$7,800 in low-income districts. (Rado, 2007).

- Per pupil wealth can vary greatly, depending on the county. In Lake County, per pupil wealth ranges from \$84,000 in one district to nearly \$2 million in another (Rado, 2007).
- A 2006 analysis by the Illinois Center for Tax and Budget Accountability (2006) found that districts vary in what they spend per pupil from a high of \$23,700 to a low of \$4,500. Significant segregation and concentration of low-income students who also have less resources has been shown to have a negative impact on learning and the development of human capital, impacting all of society (Alexander, 1995).

**Sources:**

Alexander, K. (1995). *Public School Finance*. Boston: Allyn and Bacon.

Education Law Center. (2008). *Is School Funding Fair? A National Report Card*. Online: <http://www.schoolfundingfairness.org/>

Hightower, A.M., Mitani, H., & Swanson, C.B. (2010, April). *State Policies That Pay: A Survey of School Finance Policies and Outcomes*. Education Week EPE Research Center. Online: [http://www.edweek.org/media/eperc\\_finance\\_0410.pdf](http://www.edweek.org/media/eperc_finance_0410.pdf)

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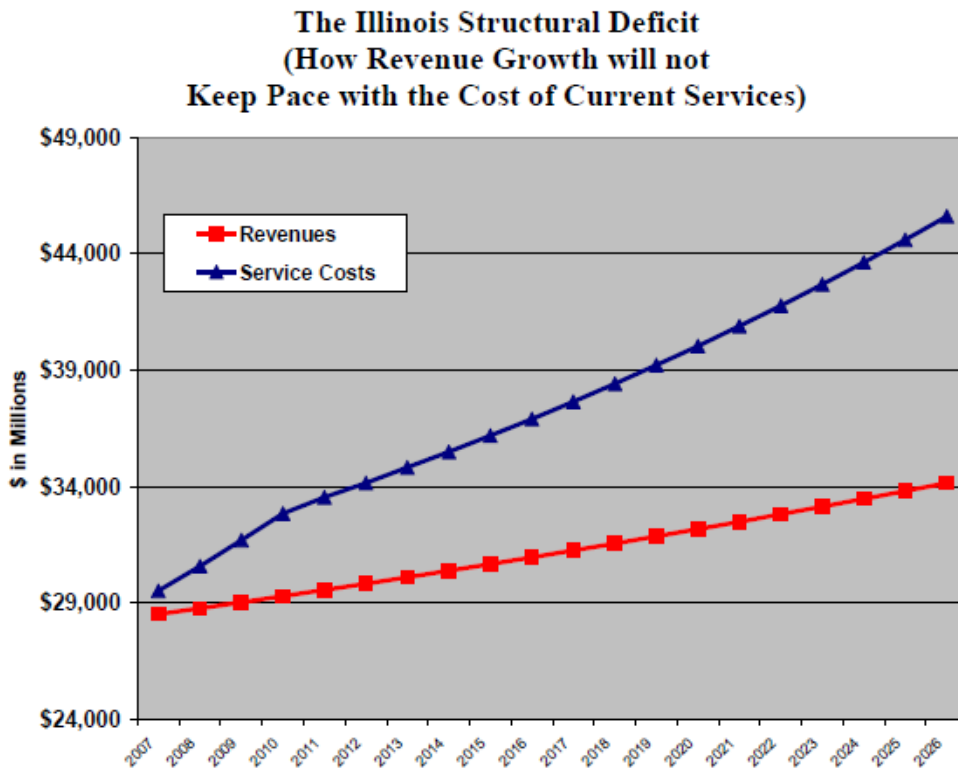
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**Trend Statement #11: Local municipalities and counties will encounter lower tax revenues and higher outlays and expenses.**

**Rationale**

The CTBA (2010) defines a structural deficit as existing when a “state’s mix of taxes will not over time generate enough revenue growth to continue funding the services the state currently provides into the future, adjusting solely for inflation and population growth, and assuming normal economic expansion” (p. 5).

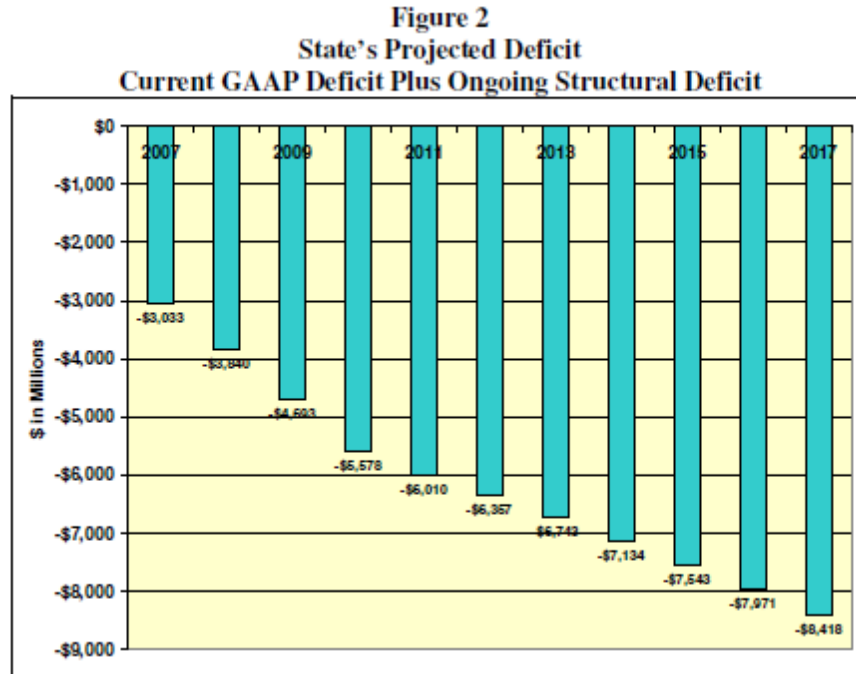
Even before the great recession of 2008, the Illinois economy was already in poor condition due to loss of jobs in the manufacturing sector, significant increases in pension obligations, an aging population that is politically influential and has high demands for services combined with an unwillingness to support higher taxes, and an outdated tax structure too reliant on state income taxes (Dye, Hudspeth, & McMillen, 2010). In the manufacturing sector alone, Illinois lost 224,000 high-paying jobs between 1982 and 1997, most of which were replaced with low-skill, low-wage jobs (CTBA, 2007). The chart below from CTBA (2007) demonstrates this phenomenon:



The graph above from CTBA (2007) has the following qualifiers: “The projection of ongoing revenue shortfalls in the graph is a conservative estimate that assumes: (i) the economy will grow by four percent per year through 2026; and (ii) no new programs and no program expansions are passed, only current services under existing laws are maintained. The graph then compares the projected costs of maintaining current services over time against projected state revenue growth, adjusting solely for inflation based on the Bureau of Labor Statistics Consumer Price Index and population growth. It does *not* include the state’s deficit accumulated to date. As the graph illustrates, even if Illinois started with a balanced budget and

had an economy that grew at four percent annually, the state's deficit will still increase by more than \$3 billion dollars over the next five years, without adding or expanding programs" (p. 2).

Another chart from CTBA projects state deficits to 2017 (Mancini & Martie, 2007).



Illinois is a low tax, low service state. Illinois ranks 43<sup>rd</sup> nationally in state spending as a percent of GDP and 37<sup>th</sup> in per capita general fund spending (CTBA, 2010). Illinois is 13<sup>th</sup> in per capita income, but is 40<sup>th</sup> nationally in per capita spending on education, 34<sup>th</sup> in human services, and 21<sup>st</sup> in Medicaid (NASBO, 2010). Illinois had 17,000 less workers in 2008 than it did in 1980 and now ranks 49<sup>th</sup> nationally in state workers per capita (CTBA, 2010). Illinois has the largest population of any Midwestern state, but spends \$11 billion less than Ohio and about the same as Michigan (NASBO, 2010). As a state, Illinois spends about 6.7% of its budget on higher education, compared to 10.4% nationally; Illinois only spends 0.3% on public assistance, compared to 1.7% nationally (NASBO, 2010). Maintaining higher levels of service will require higher taxes; maintaining current taxes will require further cuts in services, meaning Illinois will rank even lower in government size and taxes than the rest of the nation.

A 60 minutes episode recently highlighted the precarious fiscal position states and municipalities are in, with specific reference to Illinois' demand for higher services and little willingness to reform the political structure or make service cuts and few options to generate revenue to support increased demand for services (Kroft, 2010).

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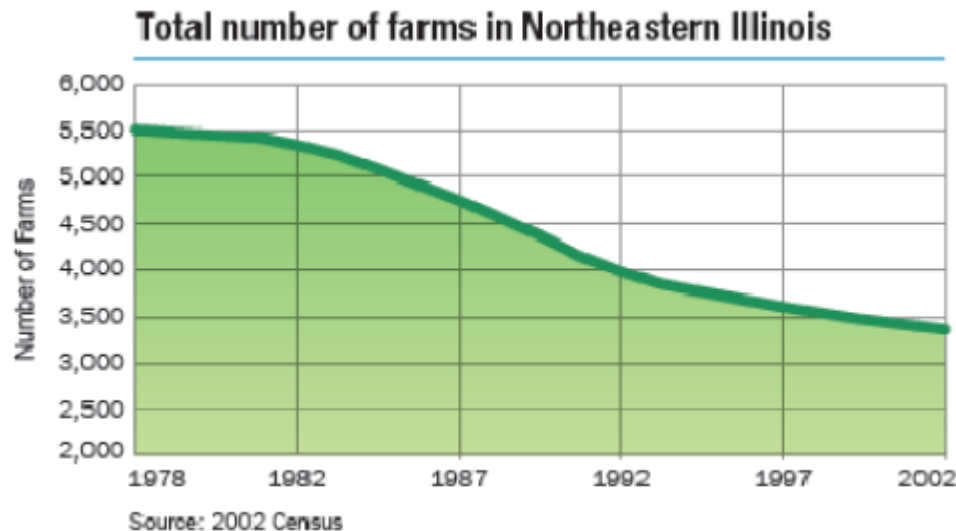
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**Trend Statement #12: After years of dwindling space devoted to agricultural and natural areas, there could be an increased interest in the preservation of natural areas and agricultural land.**

**Rationale:**

Acres of farmland has fallen in Will County. In 1997, Will County held 300,090 acres of farmland. This number fell by 40% to 220,851 in 2007 (CMAP, 2010). Between 1974 and 2002, Illinois lost an average of 63,000 acres of farmland annually (CMAP, 2008). The chart from a Chicago Metropolitan Planning Agency (2008) paper highlights the decrease in farmland in Northeastern Illinois:



Despite this, Illinois is still a global leader in agriculture production, ranking third in the U.S. in total value of crop sales (CMAP, 2008). A 2008 report from the Chicago Metropolitan Planning Agency noted an increased interest in agricultural preservation sparked by the following trends:

- Continued development of greenfields.
- Major increases in biofuel productions.
- Recent food increases.
- Growing demand for locally produced and organically grown foods.

There is an interest in environmental sustainability and preserving natural areas. In the U.S., the number of agriculture operations certified in organic agriculture has increased from 9,501 in 2006 to 12,941 in 2008 and total acres for organic farming increased from 2.9 million to 4.8 million (USDA, 2010). In Illinois, the comparable numbers for operations was 146 and 162 and in acres 28,064 and 32,488 (USDA, 2010).

Growth in Will County is placing more focus on quality of life issues, including water preservation, environmental quality, and residential satisfaction (Will County CED, 2003; 2010). At 385,242 acres, Will County has the most non-urbanized land of any county in the Chicago metropolitan area (CMAP, 2010).

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