

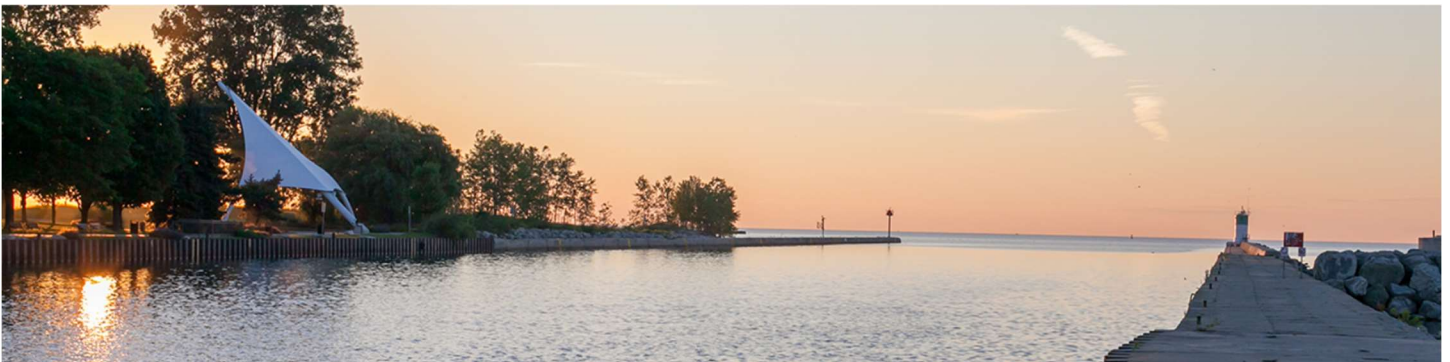


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# Lake County, Illinois

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A Summary Background of the Economic Development Conditions of the Region



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## Introduction

Lake County, Illinois, offers a blend of natural beauty, historical areas, cultural attractions, and a wide range of economic and lifestyle opportunities. Its 713,000 residents enjoy living in urban, suburban, and rural communities with numerous educational opportunities. The economic engine of Lake County consists of Walgreens, Discover Financial Services, Abbot Laboratories, CDW, Baxter International, and AbbVie, among many other small, medium, and large companies. The residential, commercial, and industrial base is supported by various water supply systems, communication, transportation, and energy distribution systems, making Lake County a promising ground for new development and the latest technological advancements.

## Demographic and Socioeconomic Data

### 1. Demographic and Socioeconomic Data

Lake County, Illinois, is home to a diverse population of 713,000 people, with the three largest ethnic groups being White (Non-Hispanic 420,000), White (Hispanic 162,000), and Asian (Non-Hispanic 60,000). The Hispanic population is 22.8% of the total, representing the fastest-growing segment of Lake County's population. The foreign-born population is 18.8% (*See Appendix, Table 1*) (FRED Economic Data, 2024). While the U.S. population growth has slowed, Lake County's population has seen virtually no increase. This is problematic as economic prosperity statistically doesn't follow a stagnant or falling population. It typically follows a path to declining living standards and disinvestment (FRED Economic Data, 2024).

### 2. Human Capital Assets and Labor Force

Lake County's commitment to workforce development is evident in its collaborative workforce plan with key partners and stakeholders. This plan provides innovative strategies and initiatives to develop, align, and integrate the region and local area workforce development. Lake County's labor force is 368,735 people, and its unemployment rate is 4.7% (Lake County Workforce Development Bureau, 2020). The workforce population is growing older and becoming more diverse, with Spanish being the most common non-English language (18.5%), followed by Russian (1.44%) and Polish (1.19%) (Lake County Planning, Building & Development, 2024).

Lake County's challenge is to provide opportunities and train and educate a diverse workforce to meet its employment needs. Educational attainment for the working-aged population will be a driving force for economic development in Lake County. Great Lakes Naval Training Station (23,000), Abbott Laboratories (15,300), Hewitt Associates (5,570), Motorola (5,000), and Kemper Insurance (3,700) are the county's largest employers (Lake County Planning, Building & Development, 2024).

### 3. Educational Attainment of Working Aged Population

Lake County's largest educational facilities are the College of Lake County, Rosalind Franklin University of Medicine and Science (651 degrees), and Lake Forest College (483 degrees). Residents 25 years or older who have completed an associate's degree or higher are 53.3%, and residents holding a bachelor's degree or higher are 46.9%. Per capita income is \$94,022, with a total income of \$66,675,939. The personal income of residents varies significantly, with the southern areas being significantly more affluent than the northern areas of the county. Lake County's aggregate poverty is 9.2 percent. Several communities have poverty levels of 25% to

50%. These percentages include children 5-17 years old (*See Appendix, Table 2*) (Lake County Planning, Building & Development, 2024).

#### **4. Environmental, Geographical, Climatic and Cultural Profiles**

The Lake County Health Department monitors the county's environmental concerns. These include air and water quality, ecological and vector-borne diseases, tick and mosquito abatement, solid waste, and well and septic systems. The Lake County Forest Preserve owns and manages over 31,000 acres of land, or 10% of the county, and is the second largest in Illinois. The properties are used for conservation, recreation, education, and flooding mitigation (Lake County, IL., 2024).

Lake County's access to Lake Michigan via the undeveloped shorelines of the Illinois State Beach and the restored Lake County Forest Preserve Fort Sheridan offers free public access and awe-inspiring views from scenic beaches and 70-foot-high bluffs. The Lake County Forest Preserves also offers 35 forest preserves, which include 30,700 acres of preserved wild areas and 209 miles of walking, biking, and equestrian trails (Lake County Forest Preserves, 2024). The Chain O' Lakes is another dominant natural feature comprising 15 lakes covering 7,100 acres (Lake County Forest Preserves, 2024). The Chain O' Lakes has been a preeminent tourism destination since the 19th century, drawing residents of Chicago to the area to enjoy water sports, fishing, and paddling (Lake County, IL., 2024).

### **Infrastructure Assets Related to Economic Development in Lake County**

#### **1. Water and sewer infrastructure**

The water and sewer systems in Lake County are specifically built to accommodate the needs of both residential and commercial development. Given the region's susceptibility to floods due to its flat topography and proximity to Lake Michigan and other inland bodies of water, stormwater management plays a crucial role. The Lake County Stormwater Management Commission is critically responsible for preserving and improving these systems to reduce the dangers of floods and maintain water quality.

#### **2. Communication networks and high-speed internet access**

Access to high-speed internet is crucial for facilitating economic activities and improving the overall well-being of individuals in a community. Lake County actively encourages the availability of high-speed internet for small businesses and has implemented policies to facilitate the installation of sophisticated telecommunications infrastructure. The region's economic development strategies prioritize the enhancement and expansion of broadband services, with a particular focus on communities that still need to receive sufficient investment.

#### **3. Systems for the Distribution of Energy**

Lake County's energy infrastructure includes the transmission and distribution of electricity and natural gas, overseen by a combination of public and private enterprises. Measures are being taken to strengthen these systems against environmental influences, such as the burial of power cables to minimize interruptions. The county is also investigating sustainable practices and investing in renewable energy sources to improve its energy infrastructure's durability and long-term viability.

## **Emerging or Declining Clusters or Industry Sectors in Lake County**

### **1. Emerging Clusters**

Lake County has identified multiple strategic growth zones anticipated to stimulate future economic development:

1. **Medical Supply Chain:** The medical supply chain sector includes biopharmaceutical items and exhibits a significantly higher employment concentration than the national average. The industry is positioned for expansion and will make a substantial contribution to the local economy.
2. **Financial and Benefit Services:** The financial and benefit services industry is expected to experience ongoing expansion. Employment in financial services jobs within this sector is forecast to increase by over 10 percent from 2019 to 2024.
3. **Technology and Professional Services:** This category encompasses corporate headquarters and various subareas related to technology. The sector experienced robust employment growth from 2010 to 2020 and is projected to maintain this trend.
4. **Industrial and Consumer Supplies:** Lake County's largest manufacturing industry is the industrial and consumer supplies sector, specifically plastics products. This sector saw substantial employment growth from 2010 to 2020 and is projected to continue expanding.

### **2. Declining Clusters**

Conventional manufacturing sectors face challenges due to broader economic shifts and intensified global competition. The emphasis is placed on utilizing developing groups to establish economic strength and capability for future progress.

## **Relationships with Lake County's Economy in the Region and State**

Lake County is situated in the northeast corner of Illinois, bordering Wisconsin and Lake Michigan. Cook County and the city of Chicago are directly south of Lake County, and McHenry County lies to the west. Lake and McHenry are also two of the five counties that make up Chicago's collar counties and are included in Chicago's Metropolitan Statistical Area and Combined Statistical Area (MSA/CSA). Despite experiencing business growth over the past decade, the Chicago MSA saw a population decline of approximately 64,000 residents from 2010 to 2020 (see Figure 6). While it is still the third largest MSA in the United States, this outmigration is a major issue for the region's economic well-being. Lake County is no exception to this pattern. Lake County can and must grow its population as well as its business base (Lake County Partners 2022).

## **Economic Performance Factors**

### **1. Workforce issues**

One of six strategic priorities listed in the Lake County Strategic Plan from September 2023 was to expand access to economic opportunities to strengthen the growth of Lake County. The strategies include:

- Enhance and align workforce development strategies with projected local industry growth.

- Promote the region’s high quality of life for business and talent attraction and retention through marketing and network building.
- Promote and implement policies and practices that reduce barriers to housing affordability and supply.
- Elevate the visibility of Lake County as an attractive tourism destination by promoting innovative programs and partnerships (Lake County Board 2023).

## 2. Transportation systems

Lake County’s transportation infrastructure is one of its strongest competitive advantages. By sharing a border with Wisconsin, Lake County is part of a larger two-state transportation grid. Interstate 94 connects communities with Milwaukee to the north and Chicago to the south; passenger and commercial rail networks provide regional and national connectivity; and O’Hare International Airport offers one of the finest international gateways in the world. Lake County is included in the Metra commuter rail system service area, which serves as a critical connector between employees and employers across the regional. Additionally, Pace Suburban Bus service provides connectivity across Lake County and into Cook County, however north-south service is concentrated in the eastern half of Lake County, with limited east-west connectivity, especially in the southwestern part of Lake County (Lake County Partners 2022).

## Additional Economic Performance Factors

### 1. Cultural and Recreational Resources

The region has a variety of cultural amenities and Lake County is highly rated in SMU DataArts 2020 Arts Vibrancy Index. The Arts Vibrancy Index scores every county in the United States, based on categories including arts dollars, arts providers, government support, socioeconomic, and other leisure characteristics. Lake County economic developers and community leaders recognize the importance the arts and culture industries have to the region’s economy, as well as its positive impact on quality of life for both residents and tourists. (Lake County Partners 2022).

### 2. Public safety

Lake County Strategic Plan from September 2023 includes six strategic priorities. The first goal is to build and maintain safe communities through programs that enhance education and prevention, law enforcement, and behavioral health services while promoting an accessible and equitable justice system. Five strategies with performance measures are included in the plan:

- Education and Prevention: Provide support and assistance to children and young adults through programming and initiatives that address safety, violence, and mental health.
- Justice Programs: Enhance justice programs to reduce crime.
- Behavioral Health: Identify and invest in behavioral health programs that address substance abuse, mental health, suicide prevention, and trauma.
- Accessible and Equitable Justice System: Promote public trust and confidence through an accessible and equitable justice system.
- Reducing Recidivism: Support efforts to reduce recidivism by providing employment and housing opportunities and rehabilitative services to justice impacted individuals (Lake County Board 2023).

## Appendix

**Table 1: Lake County Workforce Demographics**

	Lake County	Illinois
Millennials (age 20-34)	19%	20%
Retiring Soon (55 and Older)	29%	25%
Racially Diverse Population	39%	39%
Non-English Speakers	30%	24%

Table 1

**Table 2: Lake County Education Attainment Levels**

	Lake County	Illinois
Less than 9th Grade	5%	4%
9th-12th Grade	4%	5%
HS Diploma	21%	25%
Some College	18%	20%
Associate degree	6%	8%
Bachelor's Degree	27%	22%
Graduate or Higher	19%	14%

Table 2

## References

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