

VILLAGE OF PLAINFIELD



STRATEGIC PLANNING BUSINESS PLAN

February 2010



Over the past several months staff has held a series of meeting with the Village Board along with holding weekly meetings with representatives from the development community in order to formulate a new “Business Plan” that will assist the Village in recovering from this recent economic downturn in residential and economic development. Staff anticipates that the Village of Plainfield has the real opportunity to play off its many strengths which includes its good demographics, well designed neighborhoods and general perspective that Plainfield is a desirable place to live. The goals and objectives of this business plan are to place the Village in the most competitive position economically once the recovery starts without sacrificing the Village’s current high standards. The Plan started with a strategic review of all of the Village’s current development review practices and the development fees to determine how the process can be improved and what development fees would be sustainable over the long run. One of the goals of this plan is to avoid the boom and bust growth patterns that the Village has recently witnessed and to create a new sustainable growth management policy that will guide the Village through the next decade.



IMPACT FEES

One of the biggest challenges relating to attracting new residential and commercial development to the Village of Plainfield is the current residential impact fees that exceed \$35,000.00. Based on this level a purchaser of a \$300,000.00 house would see 10% of their purchase price go towards impact fee. Over the duration of a conventional mortgage the purchaser would lose almost \$100,000.00 in purchasing power as a direct result of the Village's impact fees. (\$35,000.00 x standard interest rate over 30 years)

Based on this fact the staff believes that it is imperative to establish a new sustainable fee structure that will support the required municipal services and capital investment that the Village residents require. As part of the Business Plan, staff is proposing that all new impacts be waived on all new residential permits and new commercial development. Currently, these fees equal approximately \$6,750.00 per unit.

Staff will work with the School and Park Districts on a new fee structure that will reflect the current market value of land in the Plainfield area. The current land/cash market value for an acre of improved land is approximately \$140,000.00 an acre. (Plainfield School District) Based on current trends, staff believes that this value has declined between 50% to 75% based on the most recent sales data. Currently, staff is in the process of obtaining a new appraisal and market value for an improved acre of land in the area.

CURRENT FEE STRUCTURE

Annexation	\$2,500.00
Traffic	\$2,000.00
Municipal	\$2,000.00
Beautification	\$ 250.00
School/ Land	\$4,063.00
School/Cons.	\$5,220.00
School Trans.	\$3,284.00
Fire	\$1,000.00
Park	\$4,063.00

Sanitary Tap-on	\$3,600.00
Water Tap-on	\$3,000.00
Building Permit	\$3,000.00

PROPOSED FEE STRUCTURE

Sanitary Tap-on	\$3,600.00
Water Tap-on	\$3,000.00
Building Permit	\$3,000.00

School, Park and Library Fees are under review

* Based on a four bedroom house

COMMERCIAL IMPACT FEES

To attract new commercial development, staff is proposing that all impact fees for new commercial be waived and these would include Annexation and Traffic be waived. The Village would continue to collect the sanitary and water tap-on fees along with the applicable building permit fees.



ENGINEERING REVIEW

As part of the Business Plan, staff and members of the Development community have formulated a new process for engineering review in the Village. In lieu of requiring final engineering at the time of Site Plan review, only preliminary engineering will be required. Final engineering will be required at the time of the building permit or prior to any earth work.

In addition, a new codified engineering agreement will be incorporated into the Village's Subdivision Code that will require a deposit and establish new flat fees based on a percentage of the estimated cost of engineering. The benefit of this new Engineering policy is that members of the development community will be able to budget their engineering costs into their projects. In addition, allowing for preliminary engineering the time of site plan review potentially saves the building community the substantial costs of preparing final engineering.

All of these proposed changes are intended to make the review of engineering a much more predictable process and to lower the costs of review. Lowering engineering review costs will help the Village create a more competitive environment to attract new development. One of the largest components in any builders expenses in the development process is engineering and the Village is trying to minimize this expense without lowering the Village's standards.



BUILDING CODES

Another key element of the Business Plan is a comprehensive review of the Village's Building Codes and policies. Currently, the Village is under the 2003 International Code and after extensive discussion with the development community it was determined that the adopting the 2009 International Code would produce substantial costs to the development community with no real benefit to the safety and general welfare of the community.

The Village will be adopting the new "Energy Code" that was recently approved by the state legislature and as part of this new mandate the Village will be modifying some provisions in its current building code. To address the requirements of the new Energy Code the Building Department is proposing to allow the use of "Structural Insulated Sheathing" in lieu of plywood. This change should provide an extensive saving to the building community while substantially improving the energy efficiency of home designs. This new material conforms with the requirement of the new state "Energy Code" and provides the same structural integrity as plywood does.

As part of the Village's commitment to maintain our current standards the Village will commit to update the building codes as new materials are introduced and as building innovations continue to development.

PROCESS

As part of the Village's continued commitment to improve the entitlement process the staff is making a commitment to process new Concepts, Site Plans and Preliminary & Final Plats within a **45 day development review period** once full applications have been submitted.

In addition, staff will make the commitment to process new Planned Developments, Rezoning, Variances and Annexations within a **60 day development review period** once a full application has been submitted.

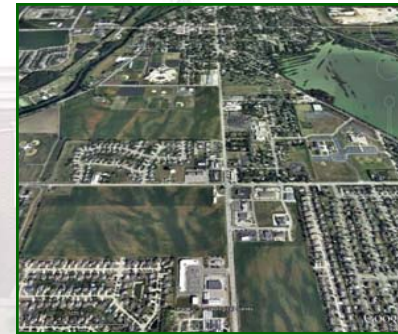
To accomplish this goal staff along with the cooperation of the other governmental agencies and the Village Engineer will create a comprehensive pre-application process which will help guide the developer through the approval process. The goal of this new policy is to outline exactly what is expected from the applicant in order for an expedited review process. This new process will emphasize communication and full feedback from the various stake holders and team members who will be reviewing the proposed development. Along with the changes that are being proposed as part of the engineering review process, it is staff's hope that these new procedural changes will speed up the review process substantially. The key to a successful review process is to outline exactly what is expected from the applicant and to move the case through the process in a timely fashion once a full application has been submitted. The staff will continue with maintaining the Village's current standards without compromising the quality of the professional review.

GROWTH MANAGEMENT

Another component of the Business Plan is to create a sustainable growth management policy that which will help minimize the impact that residential growth may have on the Village, School and Park Districts. Along with eliminating the impact fees to the Village, future residential development should be focused towards those existing developments that have a surplus of vacant lots and where the infrastructure has already been installed. Future residential development should be focused towards infill areas and parcels that are adjacent to the Village's existing municipal boundaries.

Concurrent we creating a more sustainable fee structure, it is also important to realize that the Village may be doing substantially fewer building permits in the future and that the Village may not see the 1,000 to 1,400 new home starts again for generations. The new sustainable approach must focus of a reasonable number of housing starts in the future which will create a reasonable rate of growth. This new approach will help minimize the impact on the Village's infrastructure, staffing levels and will minimize the impact on the other governmental bodies.

The Village's numerous planning guidelines will help shape the future of the Village. As highlighted throughout this document the Village continues to be committed to maintaining the high standards that have been previously adopted by the Village Board. Through the process of reducing the impacts fees to a sustainable level the Village is providing the development community with the ability to maintain the quality of their home designs and subdivision lay-outs.

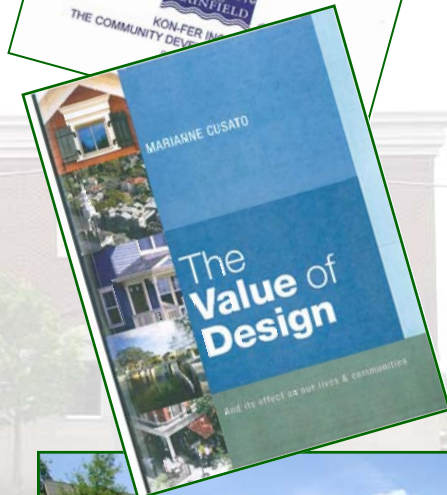


DESIGN and DENSITY

One of the most important aspects of this plan is to ensure that none of the standards that the Village has established over the past number of years is compromised as it relates to quality and design. While many leading experts in housing have projected that the Village's future price point in housing is between \$200,000 to \$350,000.00, there is nothing in this plan that diminishes the Village's design standards. The staff has been very sensitive in working with the development community to ensure that future residential developments are consistent with the general character of the Village. While homes in the future may be smaller based on the current housing trends, there is no reason to believe that the general quality of design that the Village so greatly values cannot be maintained.

Through the process of creating a fee structure that is sustainable the Village will provide the development community with the financial ability to maintain the quality in design that the Village expects.

Another element of the Business Plan is the recognition that density can have an impact on the costs of housing in the Village. Providing additional units to a project can spread the costs out and lower the pricing of homes. Most recent residential projects that have been recently approved in the Village over the past ten years have incorporated a density below 2.4 units per acre. The Medium Density district allows for a density range between 2.1 to 3.0 units per acre and the Village Residential district allows for a density of between 4.0 and 6.0 units per acre. Based on the future trends in the housing industry, Plainfield could see new projects in the future with slightly higher densities, closer to the lowest density in the Village Residential District. Recent projects like Playa Vista and Harmony Ridge have approached this density classification. However, based on staff's discussions with the development community there appears that there really is no demand to exceed a density of 4.0 units per acre.



WHAT DOES DENSITY LOOK LIKE ?



Grande Park 2.3 units per acre



Century Trace 2.56 units per acre



Dunmoor Estates 1.79 units per



Kensington Club 1.91 units per



Wallin Woods 1.96 units per



Liberty Grove 2.51 units per acre



MARKETING ANALYSIS

The Village retained the professional services of Buxton to carefully provide the Village with a profile of the shopping patterns of the residents of this community. The goal of this project is to create a customer profile of the resident's shopping patterns within the Village's trade area in order to identify those areas in which the Village can attract new retail and commercial development. Buxton has over 4,500 retail matching profiles that could potentially locate in the Village depending on the needs and profiles of the residents in this Village. Based on preliminary reports there are millions of dollars of retail leakage from the Village. This means that a substantial amount of retail money is leaving the Village for other Village's and cities. Therefore, the goal of the Business Plan is to use the information formulated by the Buxton study to attract certain retailers and commercial development to the Village. Staff recognized that it is critical that for the fiscal health of the Village that the current 44% operation revenue that the Village receives from sales tax increase over time.

The way to accomplish this goal to attract new retailers to the Route 59, Route 30 and Ridge Road commercial corridors and nodes. It is important that the commercial and shopping needs of the residents of the Village of Plainfield be met and the completion of the Buxton study is the first step in this process. Once the study is complete the Village can proceed with a careful and intelligent economic development program to attract new retail development. The key to creating a sustainable fiscal environment is reducing the dependence on development and building fees and creating new corridors of commerce throughout the Village. The Business Plan is the first step in this long-term process of recruiting new businesses to the Village.



Business Plan

Goal:

The goal of the business plan is to create an understanding of our strengths and weaknesses as it relates to business growth and attraction, and develop strategies to position the Village with a competitive edge. Initially, the Business Plan will focus on Site Plan and building permit processes (with a goal of reducing our turnaround time), Tax Incentives, Impact Fees, Land Use, and recruitment/retention strategies.

Economic Development Priorities:

- Identify the business climate strengths and weaknesses,
- Detect as early as possible business expansion, contraction and closure plans which have a community wide impact,
- Focus on stabilizing and/or increasing job opportunities and economic growth,
- Promote effective communication between employers and Village leaders,
- Advance the contribution that corporate citizens make to the local economy.



Retention Visits:

The well-being of the Village of Plainfield depends upon a healthy and growing economy. While it is important to attract new employers and encourage others to start new firms in our community, it is central to our long-term economic health to recognize that organic expansion and retention of existing corporate citizens serves as the foundation of any economic growth.

The focus of the retention visit is to identify the contributions, needs and perceptions of businesses in our community. By converging on the strengths, opportunities, opportunities and threats of our corporate citizens, we can direct our resources more effectively toward solving business problems and improving the business climate of our community.

Partnering with Will County Center for Economic Development and ComEd's Synchronist business information system, the preferred outcomes from the retention visits are:

- Detect as early as possible business expansion, contraction and closure plans which have a community wide impact,
- Focus on stabilizing and/or increasing job opportunities and economic growth,
- Identify strengths in the business climate,
- Identify weaknesses that need to be overcome,



Recruitment Efforts:

The Village's recruitment efforts take the form of two parallel tracks: Industry Focus and Retail Focus.

Industry Focus:

Partnering with Will County Center for Economic Development and Illinois Department of Commerce and Economic Opportunity, the Village looks to attract, develop and encourage emerging sectors and "future growth" businesses to establish a presence and/or expand in our community.

The Village will consider commercial incentives, and will facilitate partnerships, for businesses with NAICS Codes in the following industries:

- Beverage Manufacturing
- Medical Devices & Instruments
- Advanced Electronic & Control Systems
- Scientific Research and Development including Biotechnology
- Advanced Materials & Chemicals
- Alternative Energy/Green Technology
- Communications & Information Technology
- Military/Homeland Security
- Micro/Nanotechnology
- Robotics & Automation



Recruitment Efforts:

Retail Focus:

The quality of life in a community is often measured in the convenience of having a retail market that meets the needs of the community. As a result, the Village of Plainfield hired Buxton, an industry leader in consumer analytics. Using their CommunityID retail economic development program, the Village can develop a strategy and plan of action for marketing our community to retailers and developers. The results of the upcoming report will help the Village to target retailers and position itself to encourage a sustainable commercial presence.

Buxton recently completed its research on the Village's trade area, with focused attention at three distinct and key retail areas (Route 59 at 119th Street, Downtown Plainfield, and Route 30 at I-55). With the retail trade area for the Village in hand, Buxton identified and analyzed the trade area across lifestyles, purchase behaviors, media reading and viewing habits, to create a psychographic profile of our community.

Buxton is currently using the results of the trade area study and the psychographic profile to match retailers and restaurants to the Village's market potential, and develop a marketing (pursuit) package for key targeted retailers.

The Village will consider commercial incentives, and will facilitate partnerships, for targeted retailers that are consistent with the results of the Buxton report.



Commercial Incentives:

The Village of Plainfield's economic development priorities recognizes that Commercial Incentives can be employed as a tool to promote the objectives of:

- Increasing employment opportunities,
- Diversifying and stabilizing the commercial base in the community,
- Encouraging targeted industrial expansion,
- Providing for improved public facilities in industrial areas,
- Encouraging an attractive, viable community.

Commercial Incentives will be considered by the Village Board on a case-by-case basis, after a business case is presented on the merits of the proposed Incentive. Commercial Incentives include, but are not limited to:

- Sales tax sharing for targeted retailers, consistent with the results of the Buxton report,
- Property tax abatements, for targeted industries identified by NAICS Code,
- Capital investment for supporting public assets, such as roads, water system and sewer system improvements, that promote and/or encourage the growth of targeted industries.



Economic Development Advisory Commission:

In the 1990's, the Village of Plainfield established, by ordinance, an economic development commission, whose goal it was to "assist and advise the Village Board in the review and implementation of economic development efforts." The role of the commission changed over time, to serve more as a façade improvement review board, and eventually disbanded.

In light of the current economic environment, the Village Board might wish to reconvene the commission, with modifications:

The Commission is charged to:

- Advise on the implementation of the Plainfield Business Plan as adopted by the Village Board.
- Recommend updates or amendments to the Plan as deemed necessary.
- Provide input to the Board on the needs of local businesses and the available economic development opportunities/resources.

By seeking the input from key corporate leaders, the Village can glean a keen, first-person understanding of our strengths and weaknesses as it relates to business growth and attraction, and use the input to further hone our strategies to position the Village with a competitive edge.