

**City of Warrenville**

**MEMORANDUM**

TO: Mayor, City Council, and City Administrator White  
FROM: Amy Emery, Dir. of Community and Economic Development AÆ  
SUBJECT: ECONOMIC DEVELOPMENT ACTIVITY REPORT  
DATE: March 5, 2025

This report provides an overview of market conditions and Warrenville’s approach to addressing economic development priorities. It also summarizes the various pieces of economic development- related information staff has forwarded to the City Council since the September 2024 Community Development Committee of the Whole update report and provides Council members the opportunity to pose questions regarding actions, interactions or information.

**MARKET CONDITIONS**

Since September, the election cycle wrapped up and new federal leadership is in place. At the moment, it is difficult to know the impacts of the rapid-moving and diverse scope of changes being proposed and implemented by the administration. Most economic experts generally paint a very different picture than elected officials and this has created economic uncertainty. Concerns include:

- Interest rates and inflation remain very high, which are barriers to new business start-ups and expansion plans.
- Discretionary spending is impacted by higher prices, which is a factor contributing to some recent retail vacancies.
- New tariffs will directly impact construction (material costs) and consumer spending patterns (rising prices). It is possible that domestic products will be more competitive than cheaper imports due to tariffs, but that benefit will be limited to a few owners since Warrenville is not a major manufacturing community. The greater impact will be on residents and local business owners.
- Federal government spending freeze has impacted resources available for small businesses, minority owned businesses, and access to government contract work.

Each January, members of senior staff attend the Illinois Financial Forecast Forum. This gathering focuses on private sector views that will impact the public sector. The timing of this year’s event, just four days prior to the commencement of the new federal administration, was at a moment where the data reflected the existing economic conditions, but any forecasting was heavily cautioned based on the uncertainty of new administration priority policies and their impact on the economy. Key takeaways included:

- Economists predict that inflation will increase in 2025 and not likely to come down after.
- Labor force participation is trending downward. As baby boomers retire the labor force is expected to flatten.

- The economy of the Midwest grows at a slower rate than the national economy. It is generally less volatile and reacts less to extreme market conditions.
- The best-case scenario prediction was a no-growth economic forecast.
- The consumer price index from December 2023 to December 2024 was 2.9%. The established target by the Biden Administration of 2% was not achieved. Speakers warned impacts of potential tariffs and deportations on labor force will increase these numbers more in 2025.

Focusing on the local economic picture, for now demand remains strong for new construction. Since the last report, the Census Bureau officially reported the results of Warrenville's special census count. The results confirmed Warrenville's strong residential growth. While residential construction is certainly economic development, so are new commercial businesses that support the needs and desires of new residents. Warrenville continues to see applications and concepts presented for new residential, commercial, and other uses. Long-term market conditions are difficult to predict, but staff is actively monitoring and collaborating with area agencies to stay informed and act strategically. In the interim, staff focus is on providing outstanding customer service, efficient processes, and connections.

### **ECONOMIC DEVELOPMENT STRATEGY**

The first goal of Warrenville's previous Strategic Plan was Economic Development, which reads:

*Enhance the City's tax base, support the growth of businesses, increase local shopping and dining opportunities, diversity the City's labor market, expand housing options, and create attractive gathering places.*

Under the new Strategic Plan, adopted during this reporting period, Goal #1 is for an energetic and healthy economy.

*Warrenville encourages an energetic economy by meeting the variety of changing trends to enhance our existing diversified tax base.*

To accomplish this goal strategic priority actions include: (1) monitoring trends, (2) conducting outreach with local business to support retention and expansion, and (3) maintaining and diversify revenue streams. Acting accordingly, Warrenville staff is taking proactive steps to entice desired investment and monitor trends. Since September 2024 this has included:

- Creating a Merry Market component as part of the annual Holly Days event. Nearly a dozen vendors showcased their merchandise in City Hall during this inaugural event. Staff are currently working with the Park District to plan for more opportunities in 2025.
- Contract with Retail Strategies to prepare a community analysis, real estate analysis, recruitment plan, and connections for two important shopping areas: Cantera and Warrenville Commons.

- Hire an Economic Development Specialist. This position will focus on efforts to support existing local business retention and expansion efforts, fill vacant spaces, promote local shopping, and more.
- Hosting weekly pre-application meetings with property owners and developers with conceptual ideas to help them prepare quality development applications
- Participation at marketing and networking events with realtors, developers and municipal economic development directors to spark ideas and generate business opportunity leads and connections.

### **OUTREACH AND PARTNERSHIP**

Warrenville's economic development efforts are being coordinated by the City Staff team consisting of City Administrator White, Community and Economic Development Director Emery, and Assistant Community Development Director Hocking. This team collaborates with a great variety of stakeholders – both local and regional – to promote Warrenville and invite investment in the community. Here are some highlights forwarded to City Council since September 2024:

#### **Economic Development Representatives (EDR) Meeting**

In January, Director Emery hosted an (EDR). Discussion focused on review of the initial draft and rollout process for the Request for Proposals (RFP) to solicit redevelopment of the OTRS#2 (Former Citgo) site, strategies to respond to rising residential development requests in the context of sanitary capacity limits, and efforts to coordinate with State Legislators about the future of the Youth Detention Facility.

#### **Hospitality Meetings**

Since September 2024, two Hospitality Group meetings were held (October and January). The focus of these meetings has been on new collaborative marketing to target mini trade shows, weddings, and other smaller events to connect area event planners with Warrenville hotels. Collective marketing is a successful strategy employed in competitive communities. The idea is to market as a block group of rooms in the community versus individual hotels. A more cohesive set of marketing materials to promote all hotels in Warrenville has been developed with assistance provided by City staff. The effort is another means to build on the success of Warrenville Hotels. During the reporting period, Warrenville hotels outperformed DuPage County, Chicagoland, and feeder markets (Milwaukee, Detroit, Indianapolis) with respect to occupancy (up 7.9% year-to-year). As of the last Hospitality Meeting in January, all Warrenville hotels reported a positive outlook for 2025 noting an expectation of the return of corporate businesses to be a more significant share of the overall market.

#### **Economic Development Leader Collaboration**

In October, CEDD Emery and ACDD Hocking joined directors from Woodridge, West Chicago, Lisle, Schaumburg, Winfield, and St. Charles for a meeting to discuss area development trends, legislative actions in Springfield, and county economic development initiatives. These collaborations are important to be mindful of area trends and pressures in the market so Warrenville can respond effectively. The meeting was held in Warrenville and time was spent discussing the Warrenville By Design Overlay Zoning District and touring the City-owned Old Town Redevelopment Site at the northeast corner of Batavia and Warrenville Roads.

**Choose DuPage**

Choose DuPage is an important partner for Warrentville. They provide critical site data and facilitate introductions about Warrentville to prospective developers. In January, CEDD Emery attended “Deep Dive DuPage” an economic development discussion hosted by Choose DuPage. This gathering was an extension of the “State of the DuPage Economy” annual meeting typically held in June. Speakers examined national economic trends and how they have translated locally. Economists provided predictions of changes to anticipate under the new Federal administration. During a review of DuPage County economic statistics, shifts were reported in DuPage County employment sectors over the last five years. While previously dominated by office/administrative professionals, today 28% of employees are in wholesale trades, 26% in manufacturing, and 21% in healthcare. Through the end of 2024, 55.9% of DuPage County employees work in-office. Gen Z and Alpha continue to drive push for remote work options.

**Discover DuPage**

In November, CEDD Emery and ACDD Hocking joined Mayor Brummel at the Discover DuPage annual meeting. The focus of this event was on the impact of local tourism (revenue<sup>1</sup> is up 25% year-over-year (\$77.4 million)). During this meeting, staff learned that one of the biggest growth sectors anticipated in the coming year is in-person meetings/events. Discover DuPage reported finding more and more that home-based employees are seeking strategic opportunities to engage in-person with peers. In demand are small meeting spaces and special event/seminar venues. The growing sports sector is also a strong support for tourism revenues.

**Western DuPage Chamber**

Since March of 2024, Director Emery has continued to attend bi-monthly “We Develop Leads and Connections” meetings of local businesses focused on supporting area entrepreneurs. Participation in this group helps to provide a pulse on the challenges facing start-up and home-based area businesses. This information is being used to target new opportunities (e.g., Holly Days), improve educational information available on the City’s Web Page, and add value to Warrentville’s Business Licensing Program. It is worth noting, Warrentville Business participation has more than doubled since Director Emery joined the group.

**DEVELOPMENT ACTIVITY - COMMERCIAL****Sargent & Lundy, 4320 Winfield Road**

In September, Sargent & Lundy initiated a \$1.5 million dollar interior remodel during the reporting period. Sargent & Lundy is a power and energy engineering and architectural design firm. They specialize in nuclear power, grid modernization and renewable energy system design.

**4M, 4S040 Route 59 Construction**

In September, construction started on the 4S040 Route 59 building (commonly referred to as the 4M building). This project will see a former single tenant restaurant transformed into a multi-tenant building with a drive-through available for one suite. This creates multiple commercial

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<sup>1</sup> Revenue reporting is based on hotel, food, beverage, retail, and recreational spending and jobs.

opportunities on a major street. The construction estimate is for \$1.8 million. Construction was halted for a couple months during the winter as steel acquisition became a problem and temperatures prevented work from continuing. The project is anticipated to be completed later this year.

#### **Northwestern Medical Cancer Center, 4405 Weaver Parkway**

This project includes a 43,700 square foot building addition to the Cancer Center and a three-story parking garage addition. City council approved a major PUD and site-specific amendments in February 2024. The construction value is estimated to be over \$50 million. After completing building design and plan review, permits were released in August and construction is underway.

#### **PW Auto Clinic, 29W573 Batavia Road**

In September, the Car Clinic was purchased by PW Auto. This is the second location for the owner/operators who have more than 40 years of combined experience as factory trained technicians. Their business is known for its outstanding customer service. They are thrilled to be located in Warrenville.

#### **Prairie Cannabis Dispensary, 4S120 IL Route 59**

The Prairie Cannabis Dispensary (formerly named NuEra) was issued a Certificate of Occupancy in December. A soft opening started in January with a grand opening and ribbon cutting hosted by the Western DuPage Chamber in February.

#### **Milano's Pizza Restaurant, 3S015 Route 59**

In March, Milanos Pizza, located at 3S015 Rt 59 (formerly Roma D'Italia Pizza), received its business license and passed final inspections. The pizza restaurant will offer a variety of pizzas, appetizers, and pastas.

#### **Closures**

Since the last report was released, Honey Berry Café and Sweet Vibes Dessert Lounge, both in Cantera, closed. The circumstances of their closures differ. City Staff has been in communication with property owners and is working to find tenant leads, including leveraging the efforts of Retail Strategies.

#### **Key Vacancies**

Staff continues to collaborate with the owner of the vacant McDonalds at 28231 Diehl Road. The owner has hired a new marketing team that is engaging with national tenants about location options. They are considering the possibility of subdividing the building to accommodate several separate tenants more in line with current market square footage demands.

Likewise, staff has been directing leads for the BP Training Facility at 28301 Ferry Road and the former Liberty Mutual Building at 27501 Bella Vista Parkway to the property owners and real estate representatives. Owners of buildings in Cantera have reported a recent uptick in medical office space inquiries.

**Pre-Application Meetings**

Since September, Community Development has hosted seventeen pre-application meetings with property owners and developers interested in a variety of projects including requests for new rental townhome project, single family detached residential, residential duplexes, fast casual restaurants, coffee shops, and automotive uses. Each meeting involves review of an application describing in as much detail available the concept and preparation of a detailed summary post-meeting outlining applicable requirements, processes, and fees to provide a clear path forward.

**DEVELOPMENT ACTIVITY - RESIDENTIAL**

In this reporting period, all Certificate of Occupancy’s have been issued to the Riverview West Townhomes (located along Torch Parkway) and units 2 and 3 of Lexington Trace Unit 3. A summary is provided in the table below.

Subdivision	Total Planned		Permits Issued		Certificates of Occupancy Issued	
	Buildings	Units	Buildings	Units	Temporary	Full
Lexington Trace Unit #2 (Brayman Ct)	2	12	2	12	None	12
Lexington Trace Unit #3 (Wheeler Cir)	6	36	6	36	None	36
Riverview West Townhomes (Torch Pkwy)	13	60	13	60	None	60

**DEVELOPMENT ACTIVITY – PERMIT AND INSPECTION SUMMARY**

**September 2024 Building Permit Activity Report**

Building Division staff performed 118 inspections in September. The department issued 67 building permits, with a combined construction value of \$2,781,397 and approximately \$24,447 in permit fees were collected.

**October 2024 Building Permit Activity Report**

Building Division staff performed 155 inspections in October. The department issued 68 building permits, with a combined construction value of \$825,660 and approximately \$10,039 in permit fees were collected.

**November 2024 Building Permit Activity Report**

Building Division staff performed 88 inspections in November. The department issued 44 building permits, with a combined construction value of \$894,799 and approximately \$13,301 in permit fees were collected.

### **December 2024 Building Permit Activity Report**

Building Division staff performed 100 inspections in December. The department issued 27 building permits, with a combined construction value of \$252,490 and approximately \$4,137 in permit fees were collected.

### **January 2025 Building Permit Activity Report**

Building Division staff performed 45 inspections in January. The department issued 18 building permits, with a combined construction value of \$392,191 and approximately \$4,443 in permit fees were collected.

### **February 2025 Building Permit Activity Report**

Building Division staff performed 22 inspections in February. The department issued 20 building permits, with a combined construction value of \$780,351 and approximately \$9,720 in permit fees were collected.

## **PLANNING AND ENGINEERING INITIATIVES**

During this reporting period site preparation work was completed on the OTRS#2 (Former Citgo) site. In December staff received approval from the Illinois Environmental Protection Agency (IEPA) for the final Revolving Loan Fund payment for the non-leaking underground storage tank remediation work. Also in December, the City received a No Further Remediation letter from the IEPA. Additionally, City Council completed necessary zoning entitlements to clear a path forward for development. This included an updated agreement with the Voegtles. A soft launch of a Request for Proposal (RFP) document has been made to local investors. A full release is anticipated later this spring. Proposals would be submitted this summer and fall for review and action.

## **NEW REPORT FORMAT**

With the anticipated release of new Enterprise Resource Software and hiring of an Economic Development Specialist, this report will be enhanced and reformatted. The next release will showcase Warrenville's economic development in a fresh new easy to read format that will be ready for wider release.