



- REJournals.com - <http://www.rejournals.com> -

Prosperity and opportunity abounds in the I-90 'Golden Corridor'

Posted By [Staff Writer](#) On June 3, 2016 @ 2:05 pm | [No Comments](#)



Column by **Aimee Val**, Vice President -Marketing and Communication, Colliers International



Aimee Val

The area along Chicago's Jane Addams Memorial Tollway between Schaumburg and Huntley has enjoyed a surprising evolution over the past several years with an explosion of corporate expansions and relocations, housing projects, medical presence, retail, and infrastructure improvements.

As residents are benefiting from more abundant services, an improved transportation network and a low tax rate, there has been an interesting demographic shift, revealing an affluence never before present in this area.

Improved Access, Shorter Drive Times

Key to this transformation has been the improvements to the highway infrastructure. According to the article "State of the Suburbs: New road projects cement future" published in the *Daily Herald* on 9/2/15, "The Illinois Tollway Authority is regenerating the Jane Addams Tollway (I-90) as a wider, 'smart' corridor with new interchanges that are spurring retail and commercial development."

In addition to an extra lane in each direction from O'Hare all the way to Rockford, eight interchanges have been or are in the process of being retrofitted or expanded: Elmhurst Road, Meacham Road, Roselle Road, Barrington Road, Route 25, Route 31, Genoa Road and Irene Road. Whereas Chicago-focused travel used to be the primary factor in transportation infrastructure development, there has been a recognition of the value of pushing those improvements further west. The adjustments have already caused an economic boon, particularly in the areas immediately surrounding the seven improved interchanges west of Arlington Heights Road.

But growth isn't limited to just getting people around in cars. The I-90 project allows Pace to put express buses on the shoulder. The Illinois Tollway has included beefed-up shoulders as part of its reconstruction and widening of I-90 from the Kennedy in Chicago to Barrington Road in Hoffman Estates. The tollway and Pace will also construct park-and-ride lots at the Randall Road and Route 25 interchanges in Elgin, and at Barrington Road. The combination of express buses and Park-N-Rides at strategic locations is bringing employees to suburban jobs and helping employers access a larger work pool. The integration of public transit with highway improvements has been a hugely successful and forward-thinking approach, and businesses are taking note.

The Corporate Response

Corporate decision makers have had an overwhelmingly positive reaction to the highway modernization initiative, with many headline-making expansions and relocations to the area that were driven by ease of

highway access and more comprehensive public transportation offerings.

On an 80-acre site northeast of Medieval Times in Schaumburg, Sunstar received \$3.3 million in TIF funds for a new 302,000-SF manufacturing facility bringing 400 new jobs to the area. Critical to that decision was the addition of ramps to make Roselle Road and I-90 a four-way interchange.

Zurich insurance is underway on its 753,000-square-foot, state-of-the-art office building located on the former Motorola Solutions site in Schaumburg. This the largest build-to-suit office project in suburban Chicago since 2001.

Moving further west along the corridor, the Elgin/Gilberts/Huntley area in particular is experiencing a tremendous surge in new development and leasing activity.

Weber-Stephens Products signed a lease for a new 757,120-square-foot industrial facility in Huntley, located on 73 acres adjacent to its manufacturing facility. The company is expected to expand to nearly 1.2 million square feet in the future.

In Elgin, NTN Bearing expanding its manufacturing presence by 76,000 square feet, while Motorola Solutions relocated its manufacturing and distribution operations there, committing \$18 million to renovate and equip an existing 300,000-square-foot space within a 500,000-square-foot building in the Northwest Business Park. This move created approximately 200 full-time jobs at the facility.

Developers have a tremendous amount of confidence in the area as evidenced by the completion of several new speculative facilities (such as a 275,265-square-foot building at 200 Burnet Drive in Gilberts and a 246,446-square-foot property at 2770 Alft in Elgin) and a full pipeline of planned projects, including a 257,344-square-foot building on Auto Mall Drive in Elgin.

Interstate Partners, LLC, a developer of several Elgin-area industrial facilities and retail properties, recognized the inherent value of business setting up shop in the area. "There's a reason that 14 international companies have recently chosen the greater Elgin area for their headquarter locations," said Mark Ebacher, principal at Interstate. "The quiet redevelopment of this section of I-90, including the addition of medical facilities and transportation improvements, has made this area highly desired by both corporations and residents alike. People have really responded to the quality of services and transportation upgrades now available to them in the area, not to mention the low taxes compared to Cook County," he added.

The new development in the Elgin/Gilberts/Huntley area has not be restricted to industrial properties. Medical services in particular have been significantly expanded here, most notably with Centegra Hospital Huntley's anticipated opening in the summer 2016. The 360,000 square-foot, 128-bed facility has created more than 800 construction jobs, with a total economic impact of \$152 million on area communities. It will be joining the two existing Elgin hospitals – Presence St. Joseph and Advocate Sherman Hospital – in providing medical care to area residents and adding a more educated populous to the demographic mix. Advocate Sherman replaced its aging facility with a brand new one in 2009 and will be building an outpatient center in Huntley.

The Demographic Impact

Perhaps the most interesting result of the area development has been the shift in the population's demographics west of Roselle Road. Largely due to the increasing medical presence, the area demographics within one to three miles of Randall Road and I-90 have been transformed. Whereas the greater Elgin area has previously been perceived as low income, in 2015, nearly ¼ of the population within three miles of Randall Road and I-90 has a household income between \$100,000 and \$149,999. Other demographic highlights within one mile of the same intersection are as follows:

Households have an average disposable income of \$83,886
60% of the households have a net worth greater than \$500,000

19% of the population has a graduate/professional degree, while more than 35% in that same radius have a bachelor's degree

The area's population is growing fast. In 1990, the population within three miles of Randall Road and I-90 totaled just 19,488 but is expected to double to 39,728 by 2020. The communities of Elgin, Pingree Grove, and Huntley were all included in the top 15 cities in Illinois leading in population gain between 2010 and 2014. According to the *Chicago Tribune*, Elgin led the region in new housing starts for about two-and-a-half years from the second quarter of 2012 through the third quarter of 2014 and continues to be near the top of the list along with Huntley and Pingree Grove.

Poised for the Future

The expansion of the transportation network between Elgin and I-294 — set to be complete in 2016 — has been an ambitious task and impressive accomplishment. There have been far-reaching positive implications on motorists and residents as well as area corporations and their employees. After the slow climb out the great recession, it is exciting to see so much positive change and growth come to an area — and even more exciting to see what the future holds.

Aimee Val is vice president of marketing and communications for Colliers International's Chicago region. Aimee has more than 20 years of commercial real estate marketing experience and has published numerous trend-based industry articles.

Copyright © 2010 REJournals.com. All rights reserved.