

Village of Elburn

Economic and Demographic Community Profile

Prepared by the Center for Governmental Studies at Northern Illinois University

Introduction

In 2017, the Village of Elburn engaged NIU's Center for Governmental Studies (CGS) to assist with a comprehensive strategic planning process that would allow the Village to identify a long-term vision, set organizational priorities and shape its strategic direction. As one component of the process, the Village requested that an economic and demographic community profile be generated. Strategic planning for facilities, programs, staff, and space are often linked to the ever-changing socio-demographic character of a community and therefore play a crucial role in the service expectations of that community. These changes may include population composition, housing availability, and employment opportunities and can be indicators of growth. Analyzing shifts and changes in demographic and economic trends can allow the Village to retain and support existing businesses, project potential changes in the tax base, and anticipate the service needs in the near and long-term.

The following report summarizes demographic and economic trends that affected the Village of Elburn between 2010 and 2015, in relation to Kane County where the Village is located. Projections are not available for sub-county regions; thus, projections are largely provided for the entirety of Kane County.

Summary and Overall Trends

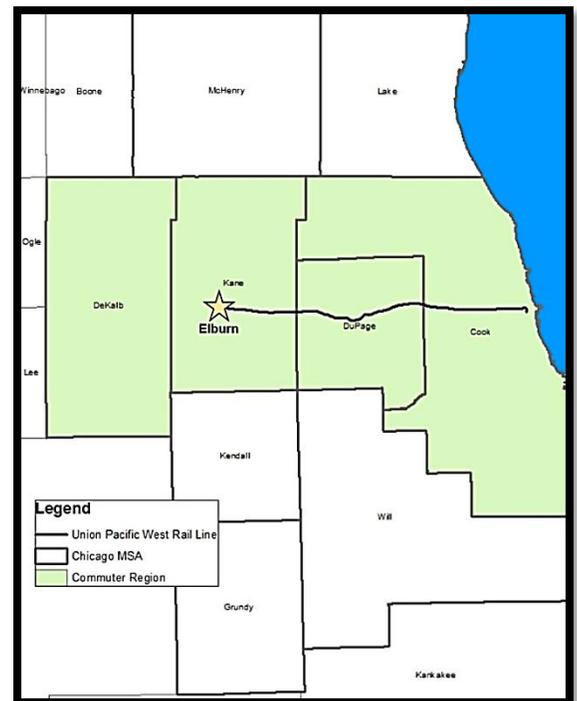
- The total population in Elburn increased 8.9% (from 5,310 to 5,785) between 2010 and 2015 compared to Kane County at 2.8%. Kane County is projected to increase 13.5% between 2015 and 2025.
- The population over age 65 is the fastest-growing age group in Elburn. The median age in Elburn is slightly higher than in Kane County.
- The Caucasian/white population in Kane County is projected to represent a smaller share of the County's population in 2025, while the Asian and Hispanic/Latino populations are projected to become larger parts of the population.
- The median household income in Elburn is higher, and grew more quickly between 2010 and 2015, than the rest of Kane County.
- The unemployment rate in Elburn has decreased since 2010 and is lower than in Kane County. The labor force participation is also higher; therefore, the decrease in unemployment does not appear to be attributable to people dropping out of the labor force, due to retirements, pursuing postsecondary education full-time, or abandoning job searches entirely due to discouragement.

- Nearly 36.0% of Elburn residents work in Kane County and 96.5% of the jobs in Elburn are held by people commuting from outside the Village.
- The employment sectors with the most projected growth in Kane County are wholesale trade, health care, and construction.
- The employment sectors with the largest share of employment for Elburn residents are manufacturing, health care, and education.
- The sectors with the largest share of jobs in Elburn, which are primarily held by nonresidents, are manufacturing and construction.
- The number of employed Elburn residents earning more than \$3,333 per month or \$39,996 per year increased 81.8% since 2010. Some of this growth includes graduates transitioning from part-time work to full-time careers.
- The business sectors in Elburn with the most growth in business establishments since 2010 are construction and health care.
- Between 2010 and 2015, total equalized assessed value (EAV) in Elburn decreased 21.2%, which exceeded the 17.9% decline in EAV countywide. Property values declined more in Elburn than in Kane County in part because the Village has a larger share of residential properties that were impacted by the recession.

Commuting Region

For communities, identifying the commuting patterns and workforce mobility within their regions can be critical to understanding the linkages and importance of the region and how communities and counties are dependent upon each other. To inform future decision-making, CGS analyzed Elburn’s commuting region, which is determined using Longitudinal Employer-Household Dynamics (LEHD) data from the U.S. Census. The commuting region is a contiguous region of counties providing at least 1.0% of the employees for businesses in Elburn *or* at least 1.0% of the jobs for Elburn residents (Figure 1). About 89.0% of Elburn residents work within the Chicago Metropolitan Statistical Area (MSA) and 91.0% of the jobs in Elburn are filled by people residing in the MSA. The Chicago MSA is defined as the Chicago-Naperville-Elgin, IL-IN-WI MSA and is the third largest MSA by population in the United States. Most of the commuters in and out of Elburn come from DeKalb County or in the counties along the Union Pacific West (UP-W) rail line. Relatively fewer commuters

Figure 1. Map of Elburn's Commuting Region



(less than 5.0% of total) come to or from other counties in the Chicago MSA. Figure 1 illustrates the commuting region in relation to the Chicago MSA and the UP-W rail line. Although Cook County is often excluded in comparisons of smaller communities due to size, it is included for Elburn because the Village’s access to the UP-W rail line is one of its core assets.

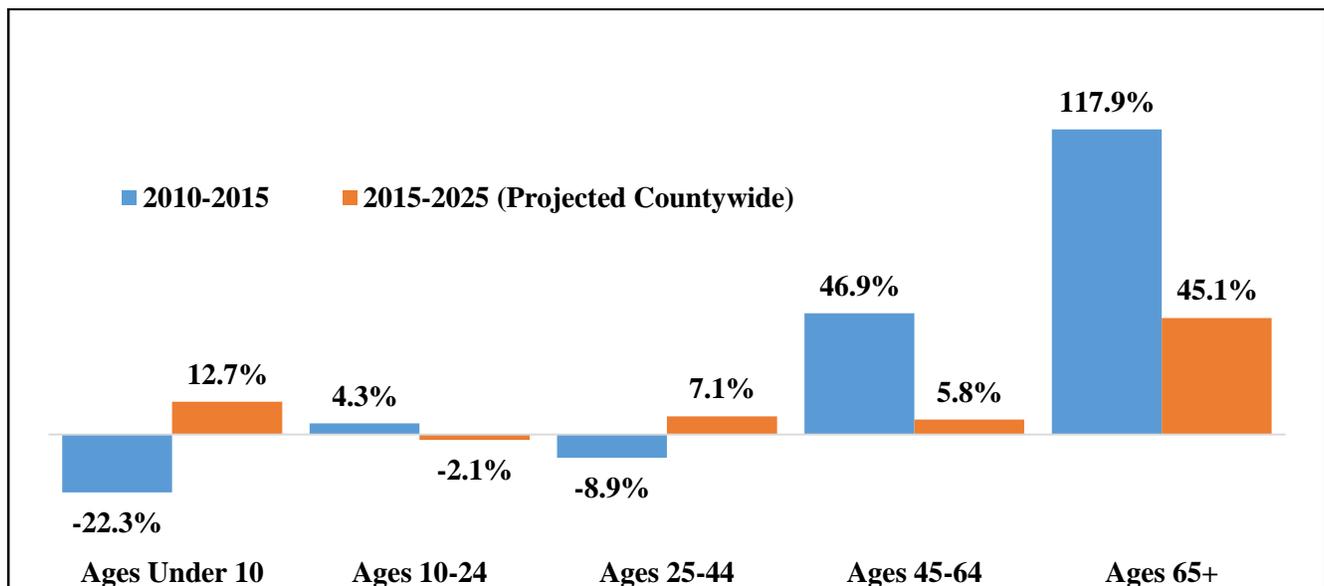
Population, Age, and Ethnicity

Between 2010 and 2015, the total population in Elburn increased from 5,310 to 5,785 (8.9%). Growth in Elburn exceeded the countywide trend, in that the Kane County population grew by only 2.8%. If Elburn’s growth matches County projections, Elburn would grow to 6,568 (13.5% increase) between 2015 and 2025.

The median age in Elburn is 40.7 compared to 35.9 in Kane County. In both Elburn and Kane County, the median age has increased since 2010. This minor increase in age most likely reflects aging of residents since 2010. If population aging in Elburn matches the projected countywide trend, the median age would grow to 40.9 by 2025. Additional insights on the age composition of Elburn can be gained from an examination of age cohorts in the next section.

The 65 and older population is the fastest-changing age group in Elburn (Figure 2). The number of residents over age 65 grew 117.9%. This includes the Baby Boomer generation (a person born in the U.S. between 1946 and 1965) reaching retirement age. The population ages 10 to 24 increased 4.3%, as children matured into this group. The prime working age population, ages 25-44, decreased 8.9% between 2010 and 2015, while the pre-retirement age group (45-64) increased 46.9%. The higher median age in Elburn than in Kane County reflects rapid growth in the retired population, along with modest declines in some younger age groups.

Figure 2. Population Change by Age Group, Elburn 2010-2015 and 2015-2025 Countywide Projections



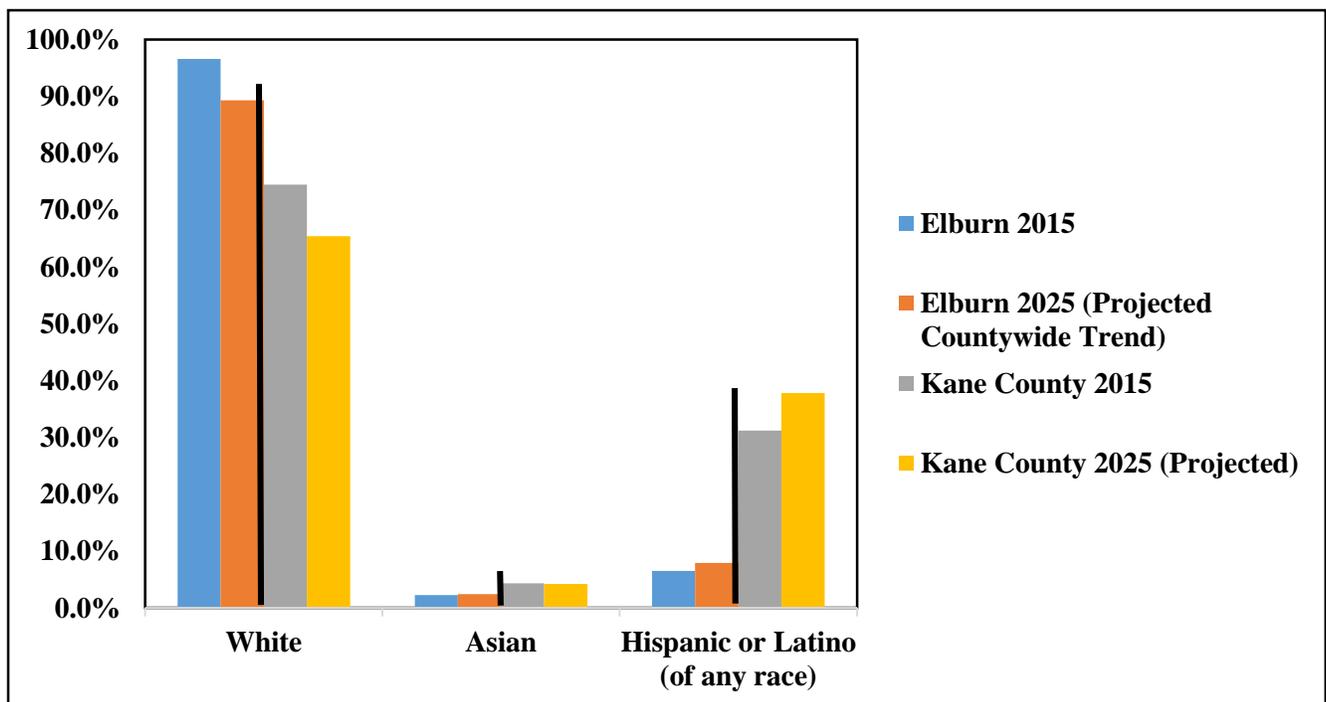
Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2010 and 2015; Woods and Poole Economics, Inc., 2015.

Based on county-level projections, the fastest-growing age group in Elburn is expected to be those of retirement age (ages 65 and over). This group is projected to grow 45.1% by 2025 as residents age in place. The working age population is projected to increase 7.1%. The population ages 10-24 is projected to decrease 2.1%, although the population under age 10 is projected to increase 12.7%.

The predominant race that comprises the population of Elburn is Caucasian/white (96.6%), compared to 72.7% of the population in Kane County (Figure 3). The largest nonwhite race category in Elburn is Asian at 2.2%, compared to 3.7% of Kane County. Elburn also has a smaller Hispanic/Latino population (6.5% compared to 31.2% in Kane County). Reliable data is not available for other minority groups in Elburn due small sample size.

The Kane County population is projected to become more diverse through 2025. The Caucasian/white population is projected to decrease to 89.3% of total in Elburn and 65.4% of the total in the county by 2025. The Asian population is projected to remain stable at 2.4% of the population, if Elburn grows at the countywide trend. The Hispanic/Latino population is projected to increase to 7.9% of total.

Figure 3. Percentage Distribution by Selected Race/Ethnicity Category*, 2010-2015



Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2010 and 2015; Woods and Poole Economics, Inc., 2015.

*Projections unavailable for the population identifying as more than one race. Data on American Indians, Alaska Natives, Native Hawaiians, and Pacific Islanders excluded due to high margins of error.

Households, Families, and Income

There are 1,931 households in Elburn, of which 1,531 (79.3%) are families and 400 (20.7%) are nonfamily households. Under the U.S. Census Bureau definition, family households consist of two or more individuals who are related by birth, marriage, or adoption, although they also may include other unrelated people. Nonfamily households include people living alone or with unrelated roommates, as well as unmarried couples without children. In Kane County, there is a slightly higher proportion of nonfamily households, at 25.2%. The average household size is 3.00 in Elburn, which is consistent with the County average of 3.01.

The total number of households in Elburn increased 17.3% between 2010 and 2015, while the total population increased 8.9%. The number of families increased 13.0%, while the number of nonfamily households increased 37.5%. The total number of households is expected to grow 14.4% in Kane County between 2015 and 2025. Although projections that dissect households into families and nonfamilies are unavailable, the average household size is projected to remain at 3.00.

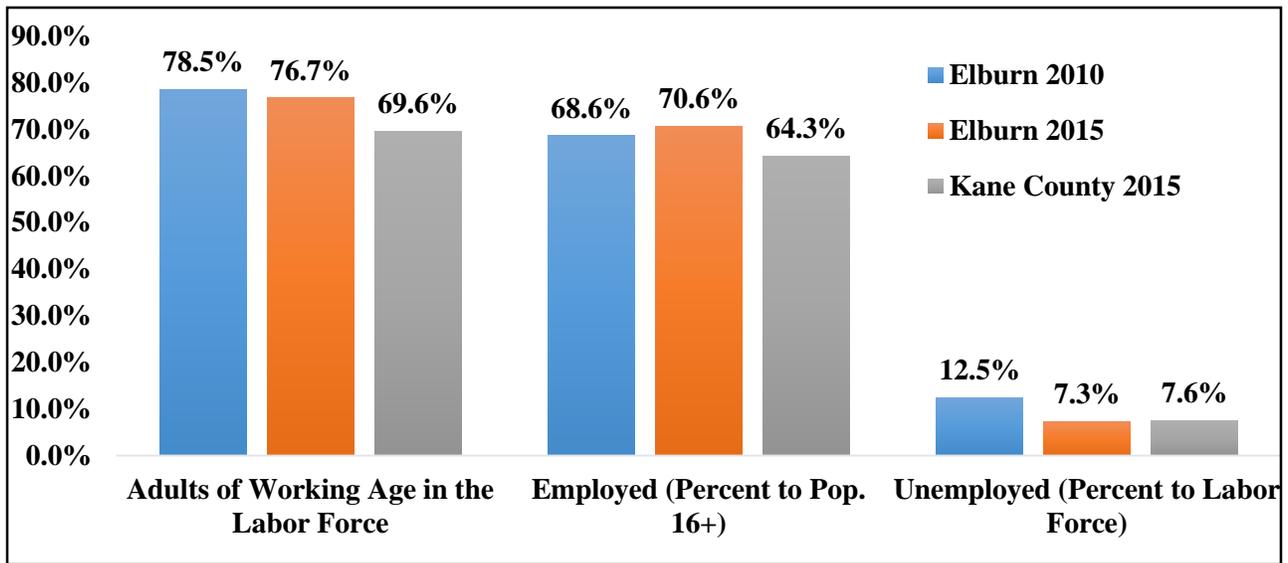
The median household income in Elburn is \$95,708, which is considerably higher than the median of \$70,696 for Kane County. In both Elburn and Kane County, the median household income grew by about 4.0% (4.1% in Elburn and 4.3% in the County). Reliable information on households by income categories in Elburn is unavailable due to limited sample size. Projections on the number of households by income are also unavailable, but the median household income in Kane County is projected to increase 4.1% in constant dollar terms between 2015 and 2025.

Employment, Labor Force, and Educational Attainment

In 2015, 76.7% of Elburn residents over age 16 were in the labor force either working or actively seeking work (Figure 4). The labor force participation rate is slightly higher in Elburn than Kane County, where 69.7% of the population over age 16 has a job or is looking for one. Within the Elburn labor force, 7.3% are unemployed but looking for work and 92.7% are employed. The share of the labor force that is unemployed in Elburn is consistent with the County average (7.3% in Elburn compared to 7.6% in Kane County).

In 2010, 12.5% of the labor force was unemployed, and the total number unemployed in Elburn decreased 34.1% as the economy improved. Further, the number of people in the labor force increased 12.8%. The labor force participation *rate* decreased even though the number in the labor force increased, in part due to the population reaching retirement age growing faster than younger populations. Although unemployment has decreased in other parts of the state because of people leaving the labor force (e.g., becoming full-time students, retiring, or abandoning job searches due to discouragement), this does not seem to be the case in Elburn.

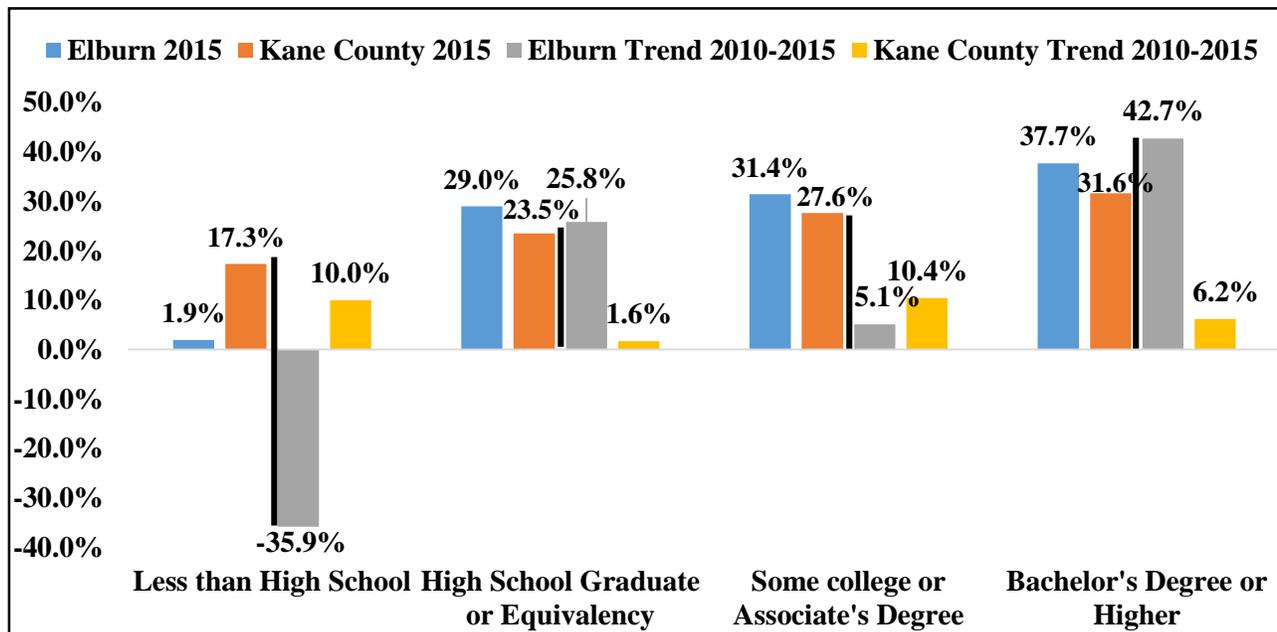
Figure 4. Labor Force and Employment Status, Population Ages 16+, % Change 2010-2015



Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2010-2015.

Educational attainment generally improved for Elburn residents since 2010, in that the number of residents with less than a high school or equivalent degree decreased and the number of residents with at least some college increased (Figure 5). Compared to Kane County, there is a higher percentage of Elburn residents with a college degree and a considerably smaller percentage that has not finished high school. Some of the increases in educational attainment might include residents that pursued post-secondary education during the recession, who have since then completed their programs.

Figure 5. Educational Attainment for the Population Ages 25+, % Change 2010-2015



Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2010-2015.

Commuter, Employment, and Business Characteristics

The average Village of Elburn resident spends 32.3 minutes traveling to work, compared to 29.1 minutes for all Kane County residents (Figure 6). The County average includes residents of Elgin and Aurora, where there are more people who live and work in the same city. The average commute time in Elburn and Kane County both increased by approximately one minute since 2010, suggesting that some residents accepted new jobs slightly farther from home.

Approximately 80.0% of Elburn residents drive to work alone, although this has decreased from 86.2% in 2010. Between 2010 and 2015, the share of residents commuting via carpool increased from 4.4% to 8.3%, and the share of residents commuting via public transit increased from 2.5% to 4.9%. As residents accept jobs with longer commutes, they may seek shared or public transportation to reduce costs and possibly improve productivity.

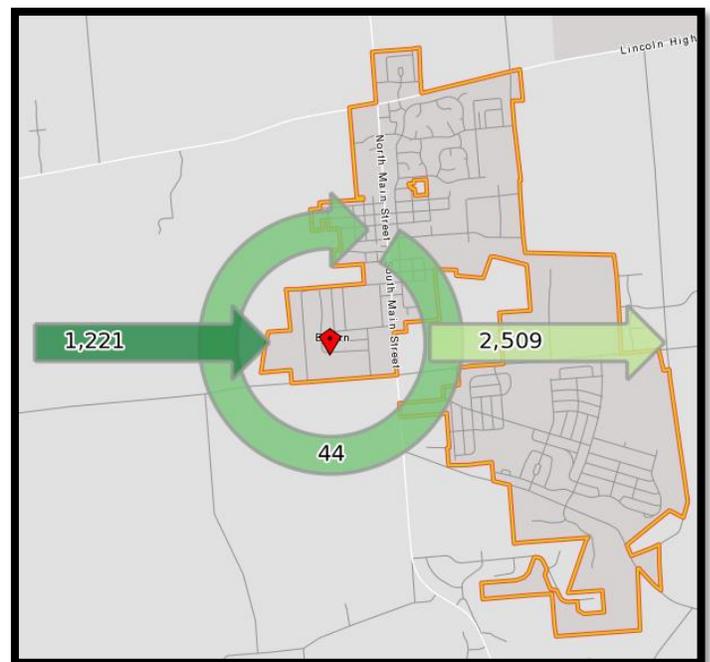
Related to commuting time is the balance of commuters to and from Elburn. There are 1,265 jobs in Elburn and 2,553 employed residents. Of the 1,265 jobs in Elburn, 44 (3.5%) are filled by residents and 1,221 (96.5%) are filled by people commuting in from other communities. Of the 2,553 employed Elburn residents, 44 (1.7%) work in Elburn and 98.3% commute out. Given the presence of the Metra station in Elburn, it is not surprising that there are many commuters into and out of the Village.

A little more than one-third of Elburn residents work in Kane County (35.8%). Just over 5.0% of employed residents work in Aurora and 5.2% work in St. Charles. About 45.0% of residents work in Cook and DuPage counties. In summary, Elburn residents typically work in the Chicago MSA.

A slight majority of the jobs in Elburn are held by Kane County residents (51.7%). About 5.4% of Elburn employees come from Aurora and 5.2% come from St. Charles. A little over 13.0% of workers in Elburn commute from DeKalb County. Other counties with a significant share of commuters to Elburn include Cook (8.9%) and DuPage (6.1%) counties.

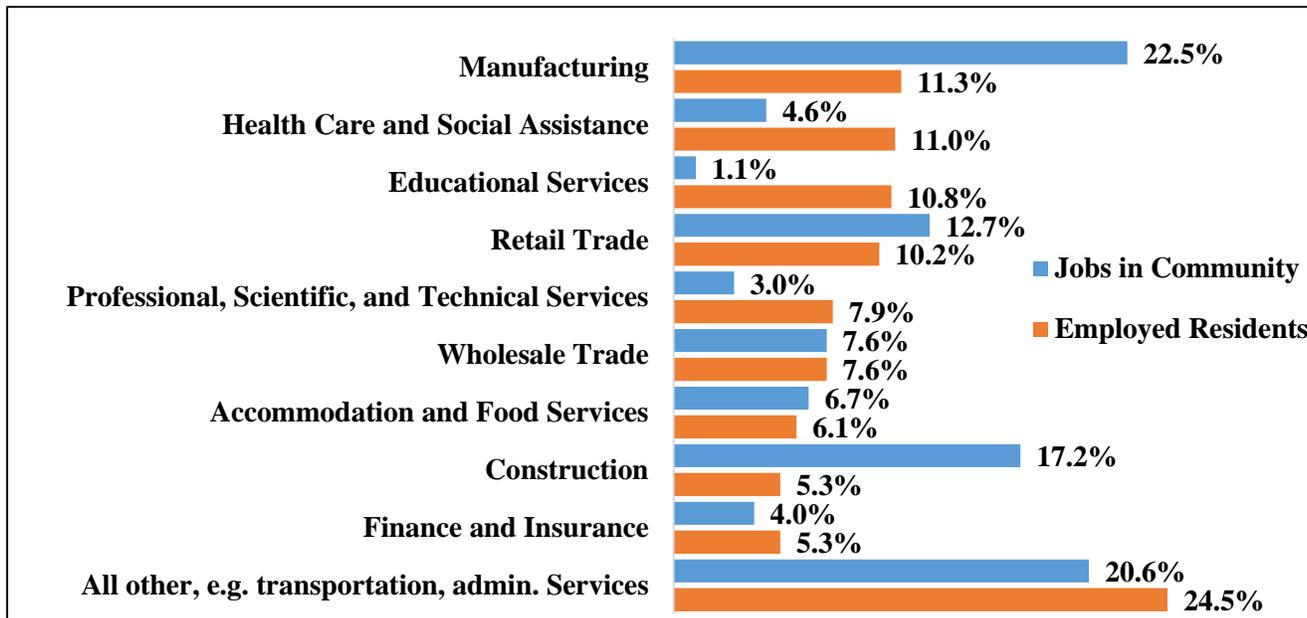
The largest industry by share of employment for Elburn residents is manufacturing, which represents 11.3% of employed residents (Figure 7). An additional 11.0% of residents work in the health care sector and 10.8% work in education. As for the jobs in Elburn, which are primarily held by nonresidents, 22.5% are in manufacturing and 17.2% are in construction. The high proportion of residents working outside of Elburn might be in part related to lack of suitable employment opportunities locally. In Kane County, the

Figure 6. Elburn Commuter Flow



fastest-growing employment sectors are projected to be wholesale trade (37.3%) and construction (22.0%).

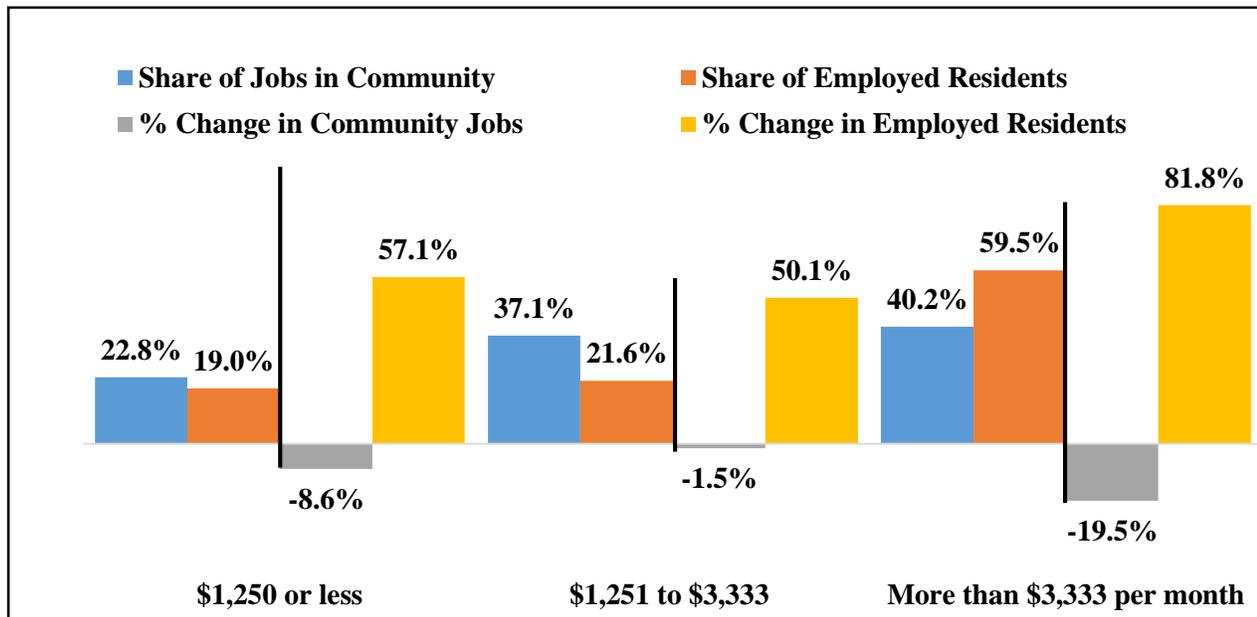
Figure 7. Employment by Industry, % Change 2009-2014



Source: U.S. Census Bureau, Longitudinal Employment-Housing Dynamics, 2014.

A majority of employed Elburn residents (59.5%) earn more than \$3,333 per month (39,996 per year) compared to 40.2% of people working in Elburn (Figure 8). Further, the number of employed residents earning more than \$3,333 per month increased 81.8% while the number of jobs in Elburn with comparable earnings decreased 19.5%. As mentioned earlier, nearly all employed Elburn residents commute out, in part due to higher-paying employment opportunities elsewhere. However, these earnings comparisons are limited in that the \$3,333 category cannot be further dissected into higher earnings strata. As mentioned earlier, educational attainment increased since 2010, and some of the growth in earnings may reflect graduates transitioning from part-time work to full-time careers.

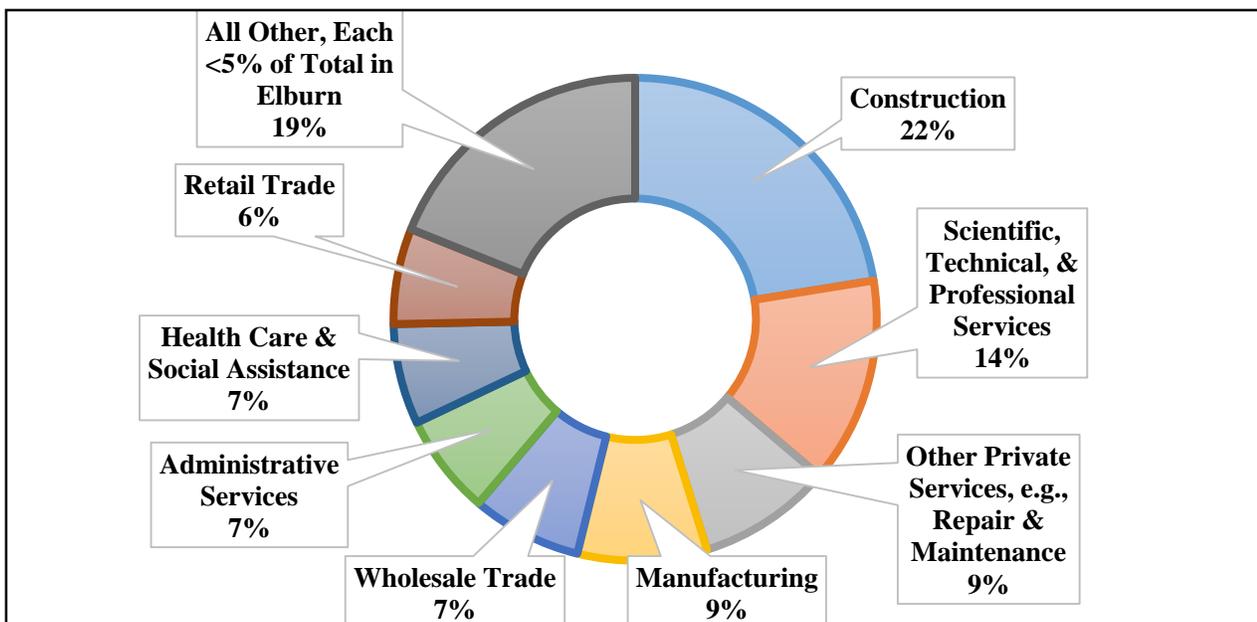
Figure 8. Employment by Monthly Earning, % Change 2009-2014



Source: U.S. Census Bureau, Longitudinal Employment Housing Dynamics, 2014.

The business sector with the most establishments in the Elburn ZIP code is construction, which accounts for 22.4% of the businesses (Figure 9). The second largest business sector by number of establishments is scientific/technical/professional services, which represents 13.8% of the total. A little less than one-fifth of businesses in Elburn are divided across a range of sectors each representing less than 5.0% of the total, including food service, finance, transportation, and private education services.

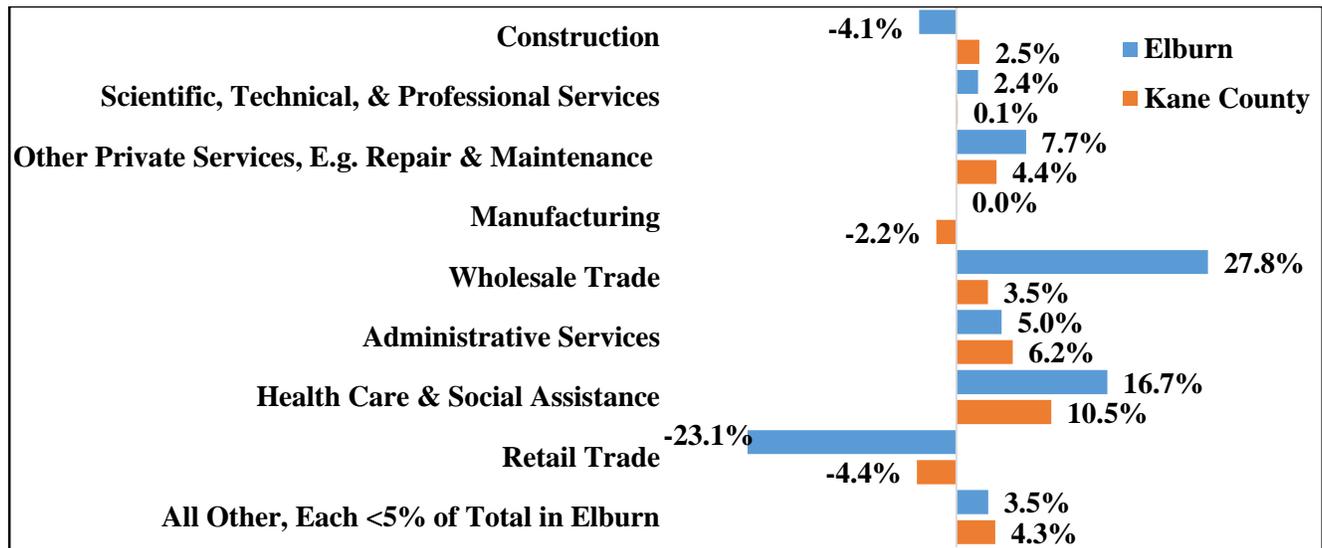
Figure 9. Business Structure in Elburn Zip Code (60119)



Source: U.S. Census Bureau, ZIP Code Business Patterns, 2015.

The business sector in the Elburn ZIP code with the most growth in establishments since 2010 is wholesale trade, which grew 27.8% (Figure 10). This sector also grew countywide, but the growth rate was larger in Elburn due to sector size differences. The health care sector grew 16.7% compared to 10.5% in Kane County. The retail trade sector lost 23.1% of its establishments since 2010, compared to a 4.4% decline in Kane County.

Figure 10. Number of Businesses in Elburn Zip Code and Kane County, % Change 2010-2015

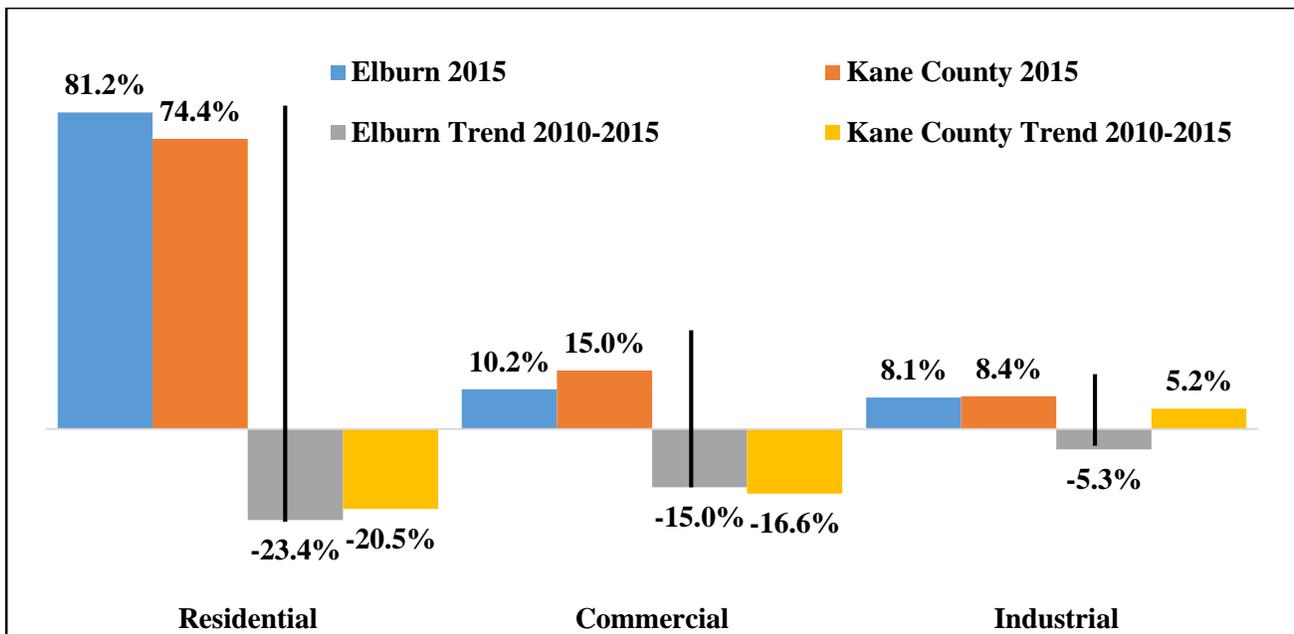


Source: U.S. Census Bureau, County Business Patterns & ZIP Code Business Patterns, 2015.

Property Tax Base

Between 2010 and 2015, total equalized assessed value (EAV) in Elburn decreased 21.2%, which exceeded the 17.9% decline in EAV countywide (Figure 11). Most of the EAV declines were in residential property due to the national housing market crash of 2008, which had a delayed effect on property values in Illinois. Residential property values decreased 23.4% in Elburn and they decreased 20.5% in Kane County. Further, a larger proportion of the taxable property in Elburn is residential (81.2% of total compared to 74.4%), which might explain why EAV declines were more severe than in the County. Commercial property values decreased 15.0% in Elburn and they decreased 16.6% in Kane County. The industrial EAV decreased 5.3% in Elburn, but it increased 5.2% countywide.

Figure 11. Equalized Assessed Value by Selected Property Classes, % of Total in 2015, % Change 2010-2015*



Source: Illinois Department of Revenue, 2010 & 2015 Property Tax Statistics, Tables 15 and 28.

*Percentages do not sum to 100 because not all property classes are shown. Farm, Railroad, and Mineral property classes were excluded for simplicity.

Data Sources

Nearly all 2010 and 2015 data was obtained from the American Community Survey (ACS) 5-year estimates provided by the U.S. Census Bureau. The ACS five-year estimates are the most reliable source of data available at a sub-state level for years between the decennial censuses. ACS data is sometimes susceptible to sampling error, wherein the data published may differ slightly from local conditions. However, sampling error is more of a concern in smaller communities, e.g., cities with populations below 10,000. ACS data for the Elburn Township is highly reliable, although margins of error may still be as high 25.0% of the estimates for some indicators.

Some employment and commuting data not in the ACS were obtained from a different Census Bureau dataset- Longitudinal Employment Housing Dynamics (LEHD). The LEHD dataset includes more detailed information on citizens' places of work and residence, e.g., the industries of employment for people who live in Elburn but do not work in Elburn.

Counts of business establishments were obtained from the U.S. Census Bureau's Business Patterns dataset. This dataset is updated annually for all counties and ZIP codes and includes counts of businesses by sector (e.g., health care, manufacturing, retail trade).

Demographic and economic projections for Kane County were obtained from Woods & Poole Economics, Inc. (W&P). Projections are not available for areas smaller than counties. W&P employ an export-base projection method, wherein employment/population/income trends depend on trends affecting business

sectors that export goods and services outside the region they are located in. Projections do not include the effects of local policy intervention that might improve local economic and demographic trends. Based on data availability, not all sections of the report include projections.

Information on aggregate property values by type of property was obtained from the Illinois Department of Revenue (IDOR). The IDOR maintains an annual Property Tax Statistics dataset which includes aggregate EAV information for all local governments that levy property taxes, with information on properties classified as commercial, industrial, residential, railroad, farm, or mining/mineral. Only commercial, industrial, and residential EAV data were included in this report for simplicity, and because the remaining property classes represent relatively minor shares of the property tax base in Elburn.

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