



**City of Pekin  
Economic Development Plan  
FY 2026-2030**

**BUILDING THE ROAD TO GROWTH  
Pekin 2030**

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## EXECUTIVE SUMMARY

Over the next five years, the City of Pekin will build the road to economic growth by proactively focusing on diversification, planning, and efficiency.

In this plan, we identify high impact areas related to economic growth aligned with the overall vision of the City to provide high-quality public services. We set broad goals, intentional strategies to meet those goals, and measurable objectives to put those strategies into action. This plan will serve as the blueprint to guide decisions, influence behaviors and mindsets, and inspire confidence in the mission of our organization.

The following are the overall goals providing the City's direction:

1. Encourage a wide range of local options for housing, employment, goods, services, and leisure.
2. Support sustainable and well-planned growth.
3. Provide efficient and effective government services.

Each of these goals create a focus area for City officials and staff to deliberately pursue excellence as we drive the changes needed to make the vision the reality. We will accomplish these goals through continuous, incremental improvements, aiming to move the needle in the positive direction each and every day.

No one action creates a prosperous economy, but the many actions included in this plan will take meaningful steps towards that end.

## Introduction

Since its incorporation in 1949, the City of Pekin has remained a unique and important community in the region as the county seat of Tazewell County as well as its largest city and the second largest city in the Peoria area. In addition to its family-friendly amenities including four golf courses, recreational on the Illinois River, and one of the largest park districts in the state, Pekin is a key economic center with over 20 million square feet of commercial space and approximately 10,000 workers employed in Pekin coming from all over the region.

To protect and enhance this economic activity, the City has developed an Economic Development Strategic Plan (Plan). The Plan will define the economic development vision for the City and the steps needed to achieve that vision.

### What is Economic Development?

Economic development is traditionally defined as the attraction, retention, and expansion of businesses, residential, labor, and tourism sectors. Economic development generally requires the alignment of three key players: a willing property owner, a viable developer, and, in some capacity, and development-friendly City.

A willing property owner is an owner of land/facility and is looking to sell or lease property to a viable developer. In the vast majority of situations, the City cannot compel a property owner to do anything with their property aside from maintain it to basic standards, so the *willingness* portion of this key player is essential. The City can only help develop what is available. In some cases, the City might act as a property owner to further help encourage development.

The second key player, a viable developer, is a new, existing, or expanding business, homebuilder, recreation organization, or other entity looking to do something in the community. This key player is seeking or working with a willing property owner to occupy a property. A viable developer requires a property that fulfills certain physical requirements (building specifications) as well as market requirements (located in an area of market demand). Again, the City cannot compel development; it can only work with those who have interest.

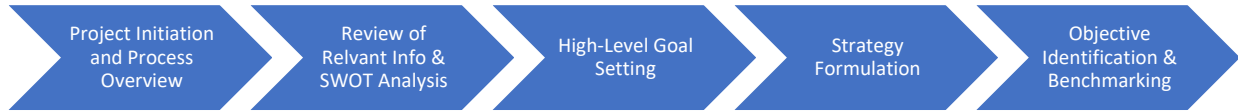
The final and third key player is a development-friendly municipality or governing body. This key player can take on several roles depending on the financial, political, and physical conditions of the community. At minimum, the municipality is proactive by regulating dealings among willing property owners and viable developers with programs, policies, and activities that seek to improve the economic well-being and quality of life for a community but not over-regulating to the point that development is burdensome. The City might also engage in other proactive activities such as making connections, marketing properties, facilitating transactions, providing incentives, improving infrastructure, or providing education and training.

## Planning Process

### Economic Development Advisory Committee

The Economic Development Advisory Committee (EDAC) is established by City Code, Division 2-6-19, and is made up of leaders from various industries in Pekin including corporate operations, real estate, education, retail management, banking, and business advocacy. The EDAC is charged with advising the City on economic issues and recommending programs and actions that enhance the local economy in pursuit of a balanced and growing tax base and a high quality of life for the community.

In 2024, the EDAC set on a path of creating the City’s first economic development strategic plan to organize its efforts in this pursuit. The EDAC, with assistance from City staff, spent 6 committee meetings developing this Plan through the following stages:



### Relevant Information

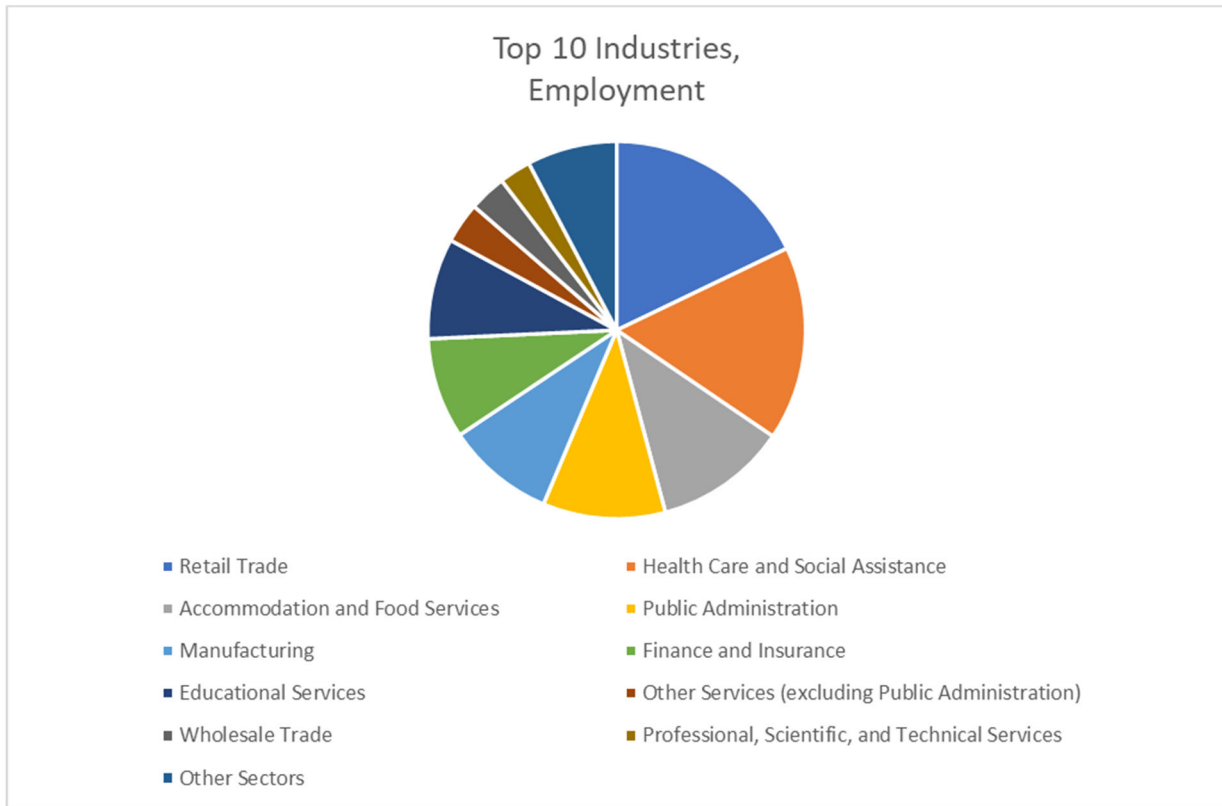
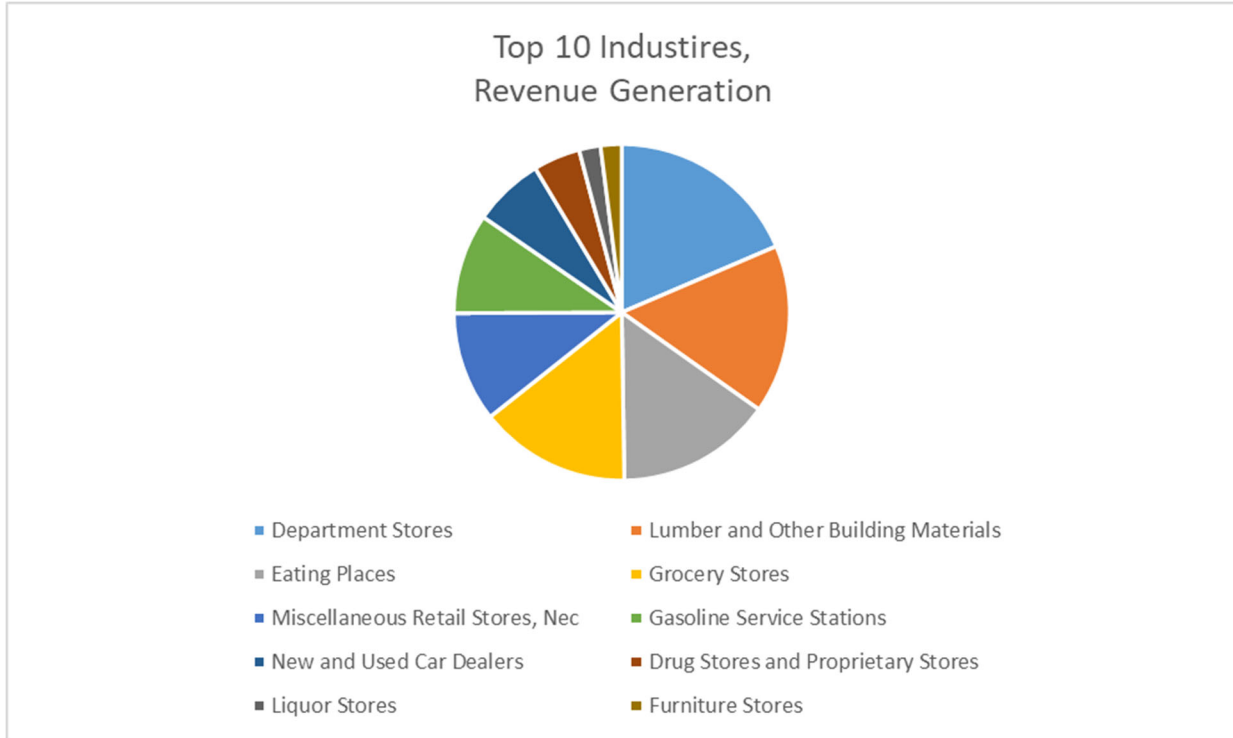
#### *Demographics*

	<b>Pekin</b>	<b>Illinois</b>
<b>Population</b>		
Population estimates, July 1, 2023	31,126	12,549,689
Population estimate, April 1, 2020	31,748	12,813,469
Population, percent change - April 1, 2020 to July 1, 2023	-2.0%	-2.1%
Population, Census, April 1, 2010	34,094	12,830,632
<b>Age and Sex</b>		
Persons under 5 years, percent	5.1%	5.3%
Persons under 18 years, percent	20.3%	21.6%
Persons 65 years and over, percent	18.7%	17.6%
Female persons, percent	48.9%	50.6%
<b>Race and Hispanic Origin</b>		
White alone, percent	91.5%	76.0%
Black alone, percent	3.7%	14.6%
American Indian and Alaska Native alone, percent	0.3%	0.6%
Asian alone, percent	0.6%	6.3%
Native Hawaiian and Other Pacific Islander alone, percent	0.1%	0.1%
Two or More Races, percent	3.5%	2.3%
Hispanic or Latino, percent	2.8%	19.0%
White alone, not Hispanic or Latino, percent	89.6%	58.8%

	Veterans	1,942	493,667
	Foreign-born persons, percent	1.3%	14.4%
<b>Housing</b>			
	Owner-occupied housing unit rate	67%	67%
	Median value of owner-occupied housing units	\$ 118,200	\$ 250,500
	Median selected monthly owner costs - with a mortgage	1,148	1,950
	Median selected monthly owner costs - without a mortgage	567	767
	Median gross rent, 2019-2023	792	1,227
<b>Families and Living Arrangements</b>			
	Households	13,527	5,001,904
	Persons per household	2.22	2.48
	Living in the same house 1 year ago	86.4%	88.5%
	Language other than English spoken at home, percent of persons age 5+	2.7%	23.8%
<b>Education</b>			
	High school graduate or higher, percent of persons age 25+	89.8%	90.3%
	Bachelor's degree or higher, percent of persons age 25+	18.9%	37.2%
<b>Economy</b>			
	In civilian labor force, total, percent of population age 16+	59.9%	64.9%
	In civilian labor force, female, percent of population age 16+	57.4%	60.6%
	Total accommodation and food services sales (\$1,000)	\$ 73,239	\$ 41,754,998
	Total health care and social assistance revenue (\$1,000)	\$ 268,691	\$ 125,256,366
	Total transportation and warehousing revenue (\$1,000)	\$ 12,381	\$ 73,661,560
	Total retail sales (\$1,000)	\$ 605,296	\$ 244,721,614
	Total retail sales per capita	\$ 19,406	\$ 19,449
	Mean travel time to work (minutes)	21.3	28.1
<b>Income and Poverty</b>			
	Median households income (in 2023 dollars)	\$ 58,355	\$ 81,702
	Per capita income in past 12 months (in 2023 dollars)	\$ 33,208	\$ 45,104
	Persons in poverty, percent	13.0%	11.6%
<b>Business</b>			
	All employer firms	516	239,318
	Men-owned employer firms	246	153,281
	Women-owned employer firms	133	52,121
	Minority-owned employer firms	29	48,274
	Nonminority-owned employer firms	363	176,697
	Veteran-owned employer firms	17	8,211
	Non veteran-owned employer firms,	375	216,103

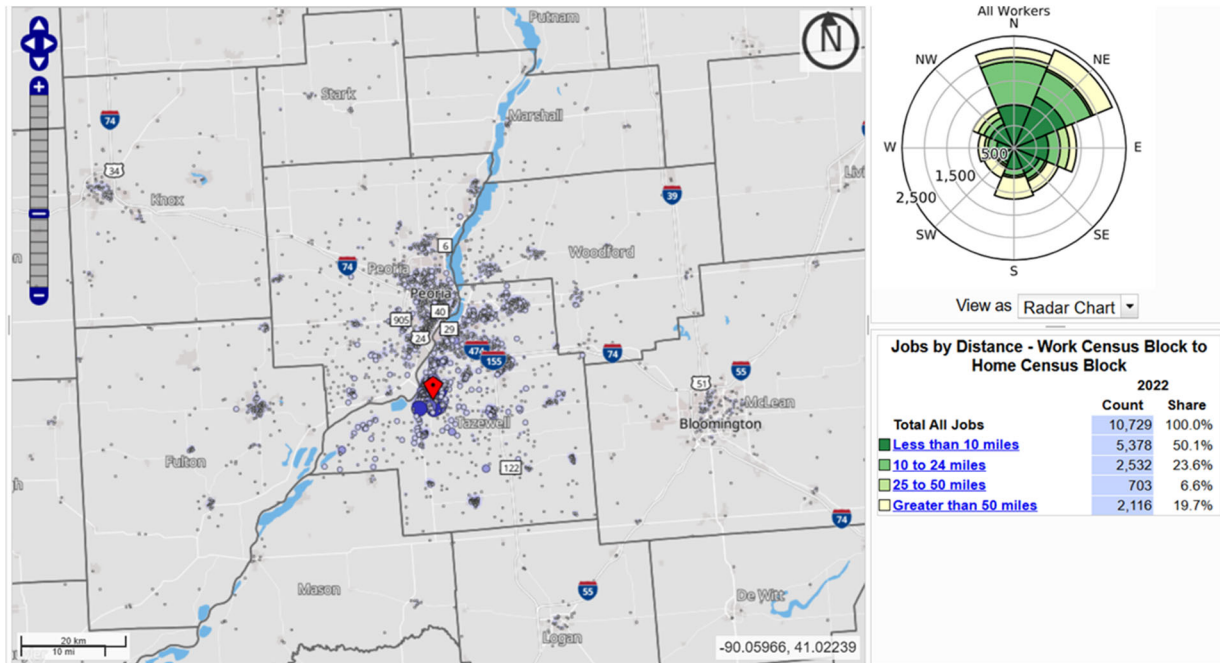
Source: U.S. Census Bureau

*Business Sectors*



## Workforce & Education

Pekin's true labor shed stretches nearly 60 miles. Almost 20% of people who work here commute more than 50 miles to work. This makes the population from which to draw employees exceed 1 million people.



The City of Pekin has a robust workforce and talent development pipeline available locally.

The City has a working relationship with Illinois Central College, and we host an ICC campus in the Riverway Business Park. ICC has partnered with other college and universities to host the IT Workforce Accelerator program to upskill people into IT roles. ICC has also launched custom certificate programs where they work with businesses to develop a curriculum to suite the workforce needs of each business and place apprentices into their employment while working on the certificate.

Pekin Community High School runs one of the best career and technical education programs in the state. It provides 76 courses in various career areas including building trades, manufacturing, financial services, healthcare, information technology, and more. This program is a significant asset to the community and a great marketing point for both prospective businesses and families looking to move to the area.

River Academy of Vocation Education, a healthcare training center, recently opened near downtown Pekin with the mission to support the community it serves by increasing the workforce with successful graduates of the academy's programs who will provide exceptional care and services to the public while simultaneously improving their own lives with vocational education. They have classroom space as well as a skills lab with set-ups for both nursing home and hospital styles of care.

SkillsUSA of Illinois, headquartered in Pekin, is a state and national membership association serving high school, college, and middle school students who are preparing for careers in trade, technical, and skilled service occupations, including health occupations, and for further education. They host apprenticeships with local businesses to develop young people to be the best-trained workforce of the future.

Other education institutions in Pekin's workforce region include Bradley University, Eureka College, Illinois State University, Illinois Wesleyan, Heartland Community College, Spoon River College, University of Illinois College of Medicine, Methodist College, and St. Francis Medical Center College of Nursing

### *Property & Infrastructure*

The City owns approximately 390 acres of land, much of which is served by all infrastructure needed for development.

The City-owned property in the Riverway Business Park includes four parcels of 8 acres, 33 acres, 57 acres, and 66 acres, all served by sewer, water, electric, and natural gas. This land is actively marketed to light and heavy industrial development.

The City is also acquiring an additional 1,000 acres north of Sheridan Rd and south of IL-98 known as the Luticken property. That, together with the 160-acre Gamblewood property north of IL-98 the City already owns, means the City will control 70% of the land needed to connect Veterans Drive to I-474. The road and interchange project is estimated at \$60 million, and neither water or sewer serve most of this land, so several million dollars more will be needed to make these sites shovel-ready over the next generation. The City has received federal funding to pay for 80% of the design engineering for the road extension.

Private land owners have also approached the City to partner in marketing their properties for development. This includes over 200 acres near prime commercial corridors and over 50 acres poised for residential infill development. The City is also considering pursuing option agreements with private land owners to secure purchasing rights at set prices, which will help developers reduce uncertainty in their development process.

Much of the City's core infrastructure, especially roads, has been neglected over the last 20+ years. The City is undertaking several major projects, including the reconstruction of Court Street, Derby Street, and Broadway Street as well as major downtown improvements and combined sewer outflow improvements. The City is currently preparing the first multi-year capital improvement plan that will include infrastructure, buildings and property, vehicle, and equipment.

### *City Programs*

The City has established 5 TIF districts (real estate tax funded) and a business development district (sales and hotel tax funded) that can fund certain types of expenses aimed at reducing

blight and encouraging economic growth. While about half of the funding from these districts goes towards public infrastructure projects, the City has several economic development programs enacted with varying budget availability each year.

The Residential TIF Policy, or “free lot” program, incentivizes new home construction by rebating real estate taxes after the home is built and assessed until the cost of the lot and other eligible expenses are paid back to the homeowner.

The Building Improvement Program, funded by TIF or BDD funds, supports the renovation of commercial properties that have been neglected. This is especially important for historic downtown buildings that are uninhabitable right now and, therefore, are producing minimal benefit to the economy and little revenue to the City. While total program budget has varied, the City generally provides reimbursement for up to 50% up eligible expenses capped at \$50,000. Other TIF redevelopment agreements have been made to take on more expensive projects over several fiscal years.

The City participates in the Southern Tazewell Enterprise Zone, which is a State-approved program providing several State-level benefits to large commercial projects in the specified incentive district. At the local level, the City certifies a development project to provide the project contractors with sales tax exemption certificates, potentially saving hundreds of thousands of dollars on building materials. The Riverway Business Park and most of the area around the Veterans Dive and Court Street intersection are included in the enterprise zone.

The City Council recently adopted a Hotel Incentive Policy to be funded by hotel tax dollars from the Tourism Fund. This program incentivizes Pekin hotels to bid on group bookings for large events in the region to bring overnight visitors to Pekin.

### *Current Developments*

2024 was a building year for the City of Pekin. It was the current mayor and city manager’s first full years in their roles, and the economic development director was newly hired. That said, Pekin has been no stranger to economic development. As this plan was written, multiple major developments were in various stages:

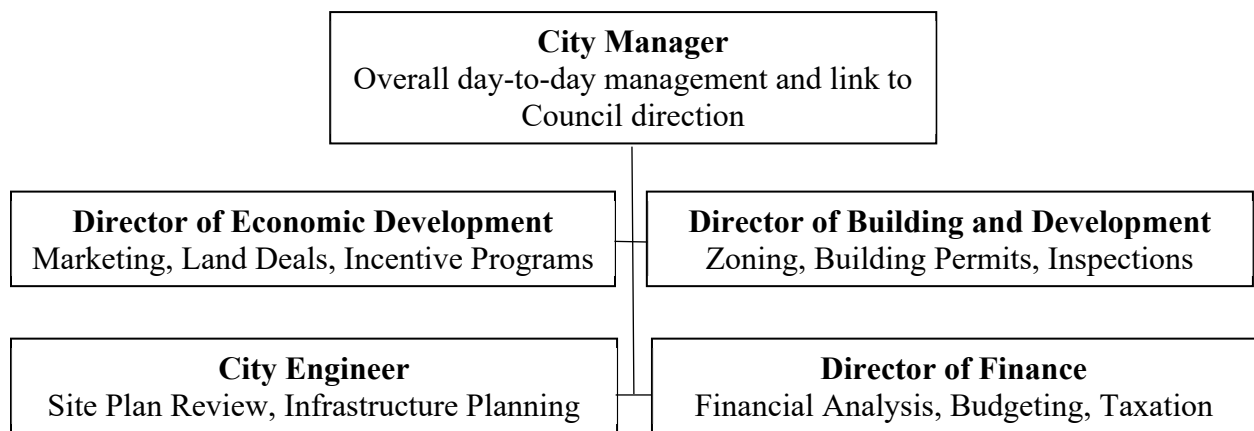
- Cullinan Properties / East Court Village – 130,000 sf retail redevelopment bringing 3+ new national stores to Pekin (construction underway).
- Hornecker Residential Development – addition of 34-unit duplex development on major corner lot (plans approved by City Council).
- Lutticken Property – City acquisition of 1,000 acres of land to be developed primarily for residential and commercial growth along with the extension of Veterans Drive to I-474 (purchase agreement approved by City Council).

- Tazewell County Downtown Addition – removal of multiple dilapidated downtown buildings to make way for addition of a justice center annex adjacent to the historic courthouse (demolitions completed).

Many other smaller projects, including the addition of new businesses and expansion of existing businesses, accompanied these larger developments along with multiple major infrastructure projects including the reconstruction of the City’s main thoroughfare, Court Street.

*City Structure*

In order for the City to participate in various capacities to help make these developments happen, the City employs a professional staff to manage its activities:



These key staff, along with several others, provide stewardship, assistance, and overall positive interactions with property owners and developers. Additionally, partnerships and good working relationships with other local and regional organizations like Pekin Area Chamber of Commerce, Pekin Main Street, Greater Peoria Economic Development Council, Pekin Park District, Strategic Manufacturing Group, Tazewell County, local school districts, and many others ensure everyone the City deals with knows we are open for business.

*Other City / Regional Plans*

Pekin, Illinois Downtown Report

[City of Pekin Comprehensive Land Use Plan](#)

[Greater Peoria Comprehensive Economic Development Strategy \(CEDS\)](#)

[Tri-County Regional Planning Commission Transportation Improvement Program](#)

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<sup>1</sup> See City’s [full organizational chart](#) online

SWOT Analysis

**S** Strengths

Riverway Business Park  
City Owned  
Enterprise Zone  
TIF District  
Class II Highway Access  
Promo Video  
Fast processes compared to Peoria  
Multiple TIF / BDD Districts  
Partnership with Greater Peoria EDC  
\$4 million for Veterans Drive  
Airport  
Public safety  
Water and sewer capacity

**W** Weaknesses

Consistency on website and communication  
Need friendlier approach to enforcement  
Staff redundancy / succession planning  
Marketing TIFs and other incentives  
Positive/proactive community engagement  
Beautification – first impression  
Audits – bonds and grants  
Roads  
Unclear processes for new businesses

**O** Opportunities

Potential FCI Expansion  
Amazon in North Pekin  
High School CTE program  
Potential ICC expansion  
Parks and amenities  
Land to grow  
    Future connection to I-474  
    Rt. 9 to I-155  
    South of Veterans Drive  
Business diversity  
Illinois River – port and tourism  
Potential economic upswing

**T** Threats

Student retainage after high school  
No infrastructure to vacant land  
Need more quality-of-life businesses  
Lack of housing variety  
Lack of Event Space  
Avanti's Dome down

## Plan Overview

### Mission

We enhance the local economy in pursuit of a balanced and growing tax base and a high quality of life for the community.

### Vision

Pekin is a vibrant, thriving, and business-friendly community where people of all ages and backgrounds can live, work, and play in a safe and sustainable environment.

## Summary of Goals and Strategies

### Build a Diversified Economy

Goal: Pekin encourages a wide range of local options for housing, employment, goods, services, and leisure.

Strategies:

1. Incentivize diverse types of residential and commercial development.
2. Make proactive, positive contact with developers and businesses in target industries

### Build Sustainable Growth

Goal: Pekin practices sustainable and well-planned growth.

Strategies:

1. Participate in regional economic development efforts and lead collaboration in Tazewell County.
2. Make plans and improvements for future housing and commercial growth.
3. Modernize development requirements and regulations.

### Build an Effective Government

Goal: Pekin provides effective, efficient, and equitable development services.

Strategies:

1. Engage in 2-way communication with all types of audiences and customers.
2. Continuously improve development processes at City Hall.
3. Employ a reliable, high-quality development staff.

While these goals and strategies are not the sole answer to ensuring economic prosperity, they are focused and attainable, which provides direction for City officials and staff to influence meaningful and measurable improvements to the local economy over the next 5 years.

## Building a Diversified Economy

Goal 1: Pekin encourages a wide range of local options for housing, employment, goods, services, and leisure.

**Strategy 1:**  
Incentivize diverse types of residential and commercial development.

**Objectives:**

1. Net 100 additional homes including 20 multifamily units.  
  
Measured by new home occupancies – demolitions.
2. Net \$18 million increase in industrial EAV.  
  
Baseline:  
\$12,078,777
3. Reduce retail trade gap by 20%.  
  
Baseline:  
\$51,560,963
4. Net 100 additional jobs.  
  
Baseline: 9,996
5. Create entrepreneurship program by end of 2026.
6. Create multiyear tourism strategy by end of 2025.

**Strategy 2:**  
Make proactive, positive contact with developers and businesses in target industries.

**Objectives:**

1. Identify target industries by Q2 2025.
2. Attend 2 regional or national trade shows per year.
3. Fund at least \$40,000 annually for multi-year economic development marketing plan.
4. Identify and perform semi-annual retention visits with top 10 employers and top 10 tax revenue generating businesses.

## Building Sustainable Growth

Goal 2: Pekin practices sustainable and well-planned growth.

### Strategy 1:

Participate in regional economic development efforts and lead collaboration in Tazewell County.

#### Objectives:

1. Maintain memberships with regional and national economic development organizations.  
  
Identified groups:  
[Pekin Chamber](#)  
[GPEDC](#)  
[Illinois EDA](#)  
[APA](#)
2. Participate in creation of Comprehensive Economic Development Strategy with Greater Peoria EDC
3. Attend regional economic development meetings or events at least monthly.
4. Stand-up cooperative with neighboring municipalities and special taxing bodies regarding the Luticken Property development by Q3 2025.

### Strategy 2:

Make plans and improvements for future housing and commercial growth.

#### Objectives:

1. Complete a new comprehensive land use plan by end of 2027.
2. Complete proactive engineering studies for available sites of 10+ acres.  
  
Identified studies:  
Phase 1 – Env.  
Geotechnical  
Wetlands  
Endangered Species
3. Budget at least \$5 million annually for infrastructure improvements.
4. Identify opportunities for improvements to railroad, airport, and river transportation systems by Q1 2026.

### Strategy 3:

Modernize development requirements and regulations.

#### Objectives:

1. Maintain building code updated to one of most recent two code cycles.  
  
Current: 2015
2. Perform holistic review of zoning code and make recommendations for changes to modern regulations by end of 2028.
3. Finish reorganization of Riverway Business Park regulations by Q1 2025.

## Building an Effective Government

Goal 3: Pekin provides effective, efficient, and equitable development services.

<p><b>Strategy 1:</b> Engage in 2-way communication with all types of audiences and customers.</p>	<p><b>Strategy 2:</b> Continuously improve development processes at City Hall.</p>	<p><b>Strategy 3:</b> Employ a reliable, high-quality development staff.</p>
<p><b>Objectives:</b></p> <ol style="list-style-type: none"><li>1. Publish small business resource webpage by Q3 2025.</li><li>2. Host town hall regarding business / development topics in Q4 2025.</li><li>3. Create user-friendly website for available properties, incentives, and workforce info by Q4 2025.</li></ol>	<p><b>Objectives:</b></p> <ol style="list-style-type: none"><li>1. Publish commercial development guide and residential development guide to create centralized sources for development regulations by Q4 2026.</li><li>2. Consolidate permitting and licensing systems by Q4 2026.</li></ol>	<p><b>Objectives:</b></p> <ol style="list-style-type: none"><li>1. Send development staff to professional development training at least annually.</li><li>2. Full staff development related positions.  Identified positions: City Manager Economic Dev. Dir. Building Official Building Inspector x2 Fire Inspector City Engineer Asst. City Engineer Engineering Tech Finance Director Business Tax Clerk City Clerk Deputy City Clerk</li><li>3. Retain outsourced engineering and legal firms to handle spikes in development activity by Q4 2025.</li></ol>