

Development could keep going at I-355/U.S. 6 in New Lenox

February 7, 2007

By Patrick Ferrell Special to the Daily Southtown

The land around the Interstate 355 interchange at U.S. 6 and Cedar Road could support up to 3 million square feet of retail space by 2015.

That's according to a market study commissioned by Zaremba Group LLC, a Cleveland-based developer that has proposed one of two large shopping malls near the interchange in New Lenox.

The Zaremba Group project, Cedar Crossings, would consist of 1 million square feet on 176 acres. The mall's concept and site plan were approved Monday by the village plan commission.

"Even if you build that 1 million square feet, there will be an additional demand of 1.4 million square feet in 2010, increasing to 1.8 million square feet in 2015," Paul Vogel, a real estate consultant for Zaremba Group, said.

The other proposed mega-mall would be directly across U.S. 6. Forest City Enterprises, also based in Cleveland, plans a 1.5-million-square-foot mall.

Robin Ellis, the village's planning and development administrator, said New Lenox likely will commission an independent marketing study to determine whether the area would support two large shopping centers.

Zaremba Group officials said the market for Cedar Crossings would expand from its initial area -- generally bounded by the Des Plaines River on the west, LaGrange Road on the east and Manhattan on the south. The company hopes to have the site ready for development by this fall, meaning retailers could open as soon as fall 2008.

"We believe that (timetable) is a little too ambitious, given the various approvals that are still needed," Ellis said.

The plan commission's approval this week is subject to the village and company addressing some traffic and utility issues, including New Lenox's need for a new water tower in the area, Ellis said.

She said the village board also must approve the development, and Zaremba Group needs to secure permits from various transportation agencies to allow it to build roads near the tollway interchange.

Cedar Crossings would create about 2,550 jobs and bring in about \$20.7 million in annual tax and other revenue, according to Zaremba Group. Of that, the village stands to gain a total of about \$2.7 million in property and sales tax revenue per year.

New Lenox School District 122 and Lincoln-Way High School District 210 would see about \$986,000 and \$523,000 in annual tax revenue, respectively. Other taxing bodies -- including the fire department and park and library districts -- would see about \$577,000.

The mall also is slated to generate \$15.9 million in state sales tax revenue, according to the group's presentation to the plan commission.

The Herald News of Joliet