

**The Economic Impact of
Concordia University
And Dominican University
On the
Village of River Forest, Illinois**

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EXECUTIVE SUMMARY

This report shows that Concordia University and Dominican University provided a net benefit of \$1.6 million to the Village of River Forest in 2009. The Village government received approximately \$93,000 more in revenues from the Universities than the cost of their services to the Universities. Village residents gained over \$1.5 million in benefits and services from Concordia and Dominican.

Village Government

Table 1 below summarizes the benefits and costs of Concordia and Dominican Universities to the Village government in 2009. Table 2 shows the benefits and costs in greater detail.

Illinois Income Taxes - The largest contributions came from 7.6% of the Income and Use Taxes received from the State of Illinois. These taxes are paid based on the Village population at the time of the 2000 Census. About \$89,000 was received because the Concordia and Dominican students who lived in River Forest in 2000 were counted as Village residents.

Other Taxes - The Village government would have received about \$136,000 in property taxes if the University campuses had been developed into housing. However, most of this foregone tax revenue is made up by the more than \$131,000 in income, sales and utility taxes paid by the Universities, their employees and students.

Public Safety - The Village spent approximately \$214,000 to provide police, fire, and EMS services to the university campuses. The percentages of service calls to the University campuses were multiplied by the budgets of each emergency service to arrive at these figures.

Streets - The Village spent almost \$27,000 to maintain the streets that front the land belonging to the Universities.

Swimming Pool - River Forest Village gained over \$76,000 from the presence of the Concordia swimming pool. If this pool were not in service the Village would be under great pressure to build and operate a pool.

Fees and Permits – Concordia and Dominican Universities paid over \$5,600 in fees and permits to River Forest last year.

Village Residents

Culture – Musical, art, theater and other events contributed over \$287,000 in value to people living in the Village.

Education – The Universities contributed over \$1 million in educational benefits to the residents. The university Early Childhood Centers provided a benefit of more than \$528,000. Students from River Forest received almost \$425,000 in financial aid from Concordia and Dominican Universities.

Recreation – The Concordia track and field provided over \$103,000 in benefits to River Forest.

Social Service – Concordia and Dominican students provided \$12,000 in voluntary community service in River Forest.

Transportation – The Concordia parking garage is used by many River Forest residents who gain a value of about \$45,000 from parking there.

TABLE 1
SUMMARY OF THE COSTS AND BENEFITS OF CONCORDIA
AND DOMINICAN UNIVERSITIES TO RIVER FOREST

	Concordia	Dominican	Total
Village Government			
Fees and Permits	\$1,346	\$4,267	\$5,613
Intergovernmental Revenue	\$60,776	\$28,375	\$89,151
Public Safety	-\$98,151	-\$85,178	-\$183,329
Recreation	\$76,247	\$1,000	\$77,247
Tax	\$61,153	\$70,006	\$131,159
Transportation	-\$15,785	-\$11,148	-\$26,933
VILLAGE GOVERNMENT TOTAL	\$85,585	\$7,322	\$92,907
Village Residents			
Culture	\$101,450	\$246,005	\$347,455
Education	\$673,489	\$330,214	\$1,003,703
Recreation	\$103,198	\$5,800	\$108,998
Social Service	\$6,250	\$5,990	\$12,240
Transportation	\$45,024		\$45,024
VILLAGE RESIDENTS TOTAL	\$929,410	\$588,009	\$1,517,419
GRAND TOTAL	\$1,014,996	\$595,331	\$1,610,327
FUTURE BENEFIT			
Communication	\$256,964		\$256,964

TABLE 2

ESTIMATED COSTS AND BENEFITS OF UNIVERSITIES TO RIVER FOREST

Village Government		CUC	DU	Total
Fees and Permits	Vehicle, Construction etc	\$1,346	\$4,267	\$5,613
State Revenue	Payment for Student Population	\$60,776	\$28,375	\$89,151
Public Safety	Fire	-\$50,414	-\$68,184	-\$118,598
Public Safety	Police	-\$39,270	-\$56,672	-\$95,942
Public Safety	Emergency 911	-\$13,957	-\$13,957	-\$27,915
Public Safety	Emergency Preparedness Day		\$50,436	\$50,436
Public Safety	Police/Fire Training	\$4,290	\$2,000	\$6,290
Public Safety	Desplaines River Flood Help	\$1,200	\$1,200	\$2,400
Recreation	Pool	\$76,247		\$76,247
Recreation	Event Hosting		\$1,000	\$1,000
Tax	Property Tax Employees	\$17,497	\$20,492	\$37,989
Tax	Property Tax Students	\$1,482	\$2,767	\$4,249
Tax	Income Tax	\$1,959	\$2,294	\$4,253
Tax	Sales Tax bookstore, food	\$12,778	\$15,819	\$28,597
Tax	Sales Tax RF businesses	\$2,848	\$3,633	\$6,481
Tax	Utility and Telecomm	\$24,590	\$25,000	\$49,590
Transportation	Streets	-\$15,785	-\$11,148	-\$26,933
VILLAGE GOVERNMENT TOTAL		\$85,585	\$7,322	\$92,907
Property Tax	Property Tax Universities	-\$68,159	-\$68,159	-\$136,319
Village Residents				
Culture	Cultural Programs	\$98,210	\$189,057	\$287,267
Culture	Library	\$3,240	\$56,948	\$60,188
Education	Early Childhood Center	\$496,508	\$31,500	\$528,008
Education	Gifted and Talented Program		\$1,400	\$1,400
Education	Nannies	\$9,000	\$9,000	\$18,000
Education	Education for residents	\$148,541	\$275,814	\$424,355
Education	Student Teachers	\$19,440	\$12,500	\$31,940
Recreation	Track and Field	\$67,748		\$67,748
Recreation	Athletic Camps	\$34,750	\$5,000	\$39,750
Recreation	Sports team support	\$700	\$800	\$1,500
Social Service	Community Service - Students	\$6,250	\$5,990	\$12,240
Transportation	Parking Garage	\$45,024		\$45,024
VILLAGE RESIDENTS TOTAL		\$929,410	\$588,009	\$1,517,419
GRAND TOTAL		\$946,836	\$527,172	\$1,610,327
FUTURE BENEFIT	New Cell Tower	\$256,964		\$256,964

UNIVERSITY IMPACT ON THE GOVERNMENT OF THE VILLAGE OF RIVER FOREST

FEES AND PERMITS

In FY 2009 Concordia and Dominican Universities paid more than \$5,500 in fees and permits to the Village of River Forest. Dominican paid \$4,267 and Concordia paid \$1,346. Most of the payments by Dominican, or \$3,207, were for construction related fees and permits. (Table 3)

For the ten years from FY 2000 to FY 2009 Dominican University paid over \$607,000 in construction fees and almost \$25,000 in other fees. Concordia paid almost \$20,000 in fees from 2002 to 2009. (Table 4)

The universities paid over \$240,000 in water bills last year. Dominican paid almost \$560,000 for the period of 2000-2009 and Concordia paid over \$760,000 from 2002 to 2009. (Table 4)

**TABLE 3
FEES PAID TO VORF 2008-2009**

	Dominican	Concordia
General Fund Payments		
Construction-related fee	\$3,207	
Elevator inspection fees	\$400	
Other fees and services	\$300	\$801
Vehicle Stickers	\$360	\$545
Total	\$4,267	\$1,346
Enterprise Fund Payments		
Water Bills	\$140,839	\$103,232

**TABLE 4
FEES PAID TO VORF IN RECENT YEARS**

	2000-2009 Dominican	2002-2009 Concordia
General Fund Payments		
Construction-related fee	\$607,713	\$8,026
Elevator inspection fees	\$9,001	\$5,979
Other fees and services	\$3,620	\$631
Student Internship Funding	\$8,241	
Vehicle Stickers	\$4,110	\$5,170
Total	\$632,685	\$19,806
Enterprise Fund Payments		
Water Bills	\$559,201	\$760,259

INTERGOVERNMENTAL REVENUE

In FY 2009 the Village of River Forest received \$1,170,738 in Income and Use Tax payments from the State of Illinois. These payments are based on Village population as of the Census count of April 1, 2000. University students who spent the majority of that year in River Forest were counted as residents for Census purposes. There were 886 residential students at the universities on April 1, 2000. This was 7.6% of the Village population of 11,635. (Table 5)

Concordia dormitory students accounted for 5.2% of River Forest residents. Thus 5.2% of the Income and Use tax payments or almost \$61,000 came from the presence of CUC. Dominican was responsible for over \$28,000 of the revenue because its students accounted for 2.4% of Village population. (Table 6)

**TABLE 5
YEAR 2000 RIVER FOREST VILLAGE AND UNIVERSITY
RESIDENTIAL POPULATION NUMBERS**

Village and University	April 1, 2000 Population and Resident Student Numbers	Percent of University Resident Students
River Forest	11,635	
Concordia University	604	5.2%
Dominican University	282	2.4%
Total	886	7.6%

**TABLE 6
FY 2009 STATE TAX DISBURSEMENTS BASED ON
UNIVERSITY RESIDENTIAL STUDENT POPULATION**

Type of Payment	Amount Received in FY 2009	CUC Share of State Revenue	DU Share of State Revenue	Total University Share of State Revenue
Income and Use taxes	\$1,170,738	\$60,776	\$28,375	\$89,151

Source: Illinois Department of Revenue. Tax Statistics. Local Government. Local Government. Monthly Detailed Disbursement Amounts.

<http://tax.illinois.gov/LocalGovernment/Disbursements/index.htm>.

PUBLIC SAFETY

The following is an analysis of costs for River Forest public safety services to Concordia and Dominican Universities. In a Memorandum entitled "Payment in Lieu of Taxes" from Steven Gutierrez, dated November 26, 2009, a University service cost assessment method was laid out. Total recorded responses by Village Fire and Police Departments to the Universities in calendar 2008 were compared to the total responses by each department. The percentages of calendar 2008 responses to the campuses were multiplied by the Fiscal Year 2009 budget to estimate the cost of serving Concordia and Dominican Universities.

PUBLIC SAFETY – FIRE

River Forest Fire Department responses have been divided into two categories, full structure responses and single company responses. These response types differ by the number of companies, pieces of equipment and personnel which respond to a call.

Based on a cost assessment method developed by the Iowa City, Iowa Fire Department. (Table 7), we assume a ratio of 4:1 between the cost of a full structure response and a single company response. The Iowa City department analyzed all responses for an extensive period. They used actual wage costs to arrive at average personnel costs and FEMA data for equipment costs.

We assume that 20% of the responses by the River Forest Fire Department are full structure responses and 80% are single company responses.

When the 4:1 ratio was used, costs of \$3,953 for a full structure response and \$988 for a single company response were calculated. The cost of \$988 is the hourly rate for a single company response which meets the following conditions 1) a 20% full structure response rate 2) a 4:1 cost ratio between full structure responses and single company responses 3) a Fiscal Year 2009 budget of \$2,942,372 for the River Forest Fire Department.

TABLE 7
IOWA CITY, IOWA FIRE DEPARTMENT RESPONSE COSTS

Type of Response and Resources Used	Cost per Hour
Full Structure Response	
2 Engine Companies (includes 2 Firefighters, 1 Officer on each)	\$231.00/per company
1 Truck Company (includes 2 Firefighters, 1 Officer)	\$333.00
1 Command Vehicle (includes 1 Battalion Chief)	\$140.00
Total Cost per Hour	\$935.00
Single Company Response	
1 Engine Company (includes 2 Firefighters, 1 Officer)	\$231.00

Source: <http://www.icgov.org/site/CMSv2/file/fire/AppendixGP-023-02IICFDRresponseCharges.pdf>. Accessed 5/15/10.

TABLE 8
APPLYING TWO LEVEL RESPONSE COSTS TO
THE VORF FIRE DEPARTMENT

Type of Response	Percent of Responses	Number of Responses	X	Hourly Rate	=	Total Cost
Full Structure	20%	372		\$3,953		\$1,471,186
Single Company	80%	1489		\$988		\$1,471,186
Total	100%	1861				\$2,942,372

Fire - Concordia University

In 2008 there were 51 fire and EMS responses to the CUC campus. (Table 9). All of the responses were single company responses. Based on a cost per response of \$988 the total cost for 51 responses by the River Forest Fire Department was \$50,414 in 2009.

TABLE 9
SHARE OF VORF 2009 FIRE EXPENSES
ATTRIBUTABLE TO CONCORDIA UNIVERSITY

Service	Total Calls	2008 Calls Attributable to CUC	X	Cost per Response	=	Share of 2009 Budget Allocated to CUC
Fire		24		\$988		\$23,724
EMS		27		\$988		\$26,690
Total	1,861	51				\$50,414

Fire - Dominican University

TABLE 10
SHARE OF VORF 2009 FIRE EXPENSES
ATTRIBUTABLE TO DOMINICAN UNIVERSITY

Service	Total Calls	2008 Calls Attributable to DU	x	Cost per Response	=	Share of 2009 Budget Allocated to DU
Fire		33		\$988		\$32,610
EMS		36		\$988		\$35,574
Total	1,861	69				\$68,184

In 2008 there were 69 fire and EMS responses to the Dominican campuses. (Table 10). Based on a cost per response of \$988 the total cost to the River Forest Fire Department for responses to Dominican University was \$68,614 in 2009.

PUBLIC SAFETY – POLICE

The following numbers have been used in the analysis of the River Forest Police Department:

Fiscal 2009 Budget = \$4,210,631
 Number of responses in 2008 = 10,250
 Number of patrol officers = 22
 Annual work hours for an officer = 1,920 (48 weeks x 40 hours/week)
 Total annual patrol officer hours = 42,240 (22 x 1,920)
 Average patrol staff time per response = 4.1 hours (\$4,210,631/42,240 hours)
 Cost per response = \$411.79 (\$4,210,631/10,250)

Not all the time of patrol officers is involved with responses to calls. Some time is used for routine neighborhood patrols, premise checks, and other activities.

In analyzing the cost of police services we make the following assumptions:

- 1) Responses to calls occupy 75% of the time of the patrol staff.
- 2) The cost of a non-response activity is one half that of a response activity.

From these assumptions we draw the following conclusions:

- 1) The total cost of responses based on the 2009 budget was \$3,157,973
 (\$4,210,631 x 75%)
- 2) The average cost of a response was \$308 (\$3,157,973/10,250 responses)
- 3) The average cost of other activities is \$154 (\$308 x 50%)

Police - Concordia University

In the memorandum entitled "Payment in Lieu of Taxes," 182 responses by the River Forest Police Department to the campus of Concordia University were recorded. After comparing records CUC has reclassified 82 of these responses (Table 11). There were 27 Assist Fire/EMS responses which were reimbursed by medical insurance.

**TABLE 11
NUMBER OF 2008 VORF POLICE RESPONSES
ATTRIBUTABLE TO CONCORDIA**

2008 Police Responses from Village Records	182
Reimbursed Responses	
Assist Fire/EMS responses	-27
Other Activities	
Premise Check/Foot Patrol	-24
Line Trouble Alarms	-30
911 Hang-ups	-1
Total Responses Attributable to Concordia	100

The costs for the responses and other incidents in Table 11 are shown below

- 1) Cost of Responses to CUC = \$30,800 (100 responses X \$308 per response)
- 2) Cost of other activities = \$ 8,470 (55 incidents X 154 per activity)
- 3) Total cost of Police service = \$39,270

Total costs for Police service to Concordia for 2009 based on the 2009 fiscal year budget was \$39,270

Police - Dominican University

In the memorandum entitled "Payment in Lieu of Taxes," 289 responses by the River Forest Police Department to the two campuses of Dominican University were recorded. After comparing records Dominican has reclassified 105 of these responses. (Table 13) 63 of the recorded responses were not confirmed by Dominican. Two thirds of the responses to the Priory Campus (42) have been assigned to Fenwick High School and the River Forest Park District. This is because responses involving Fenwick students and people using the adjacent park are assigned to the same address as that of the Priory Campus.

TABLE 13
NUMBER OF 2008 VORF POLICE RESPONSES
ATTRIBUTABLE TO DOMINICAN

2008 Police Responses from Village Records	289
Responses not confirmed by Dominican	-63
Two thirds of Priory Campus Responses	-42
Total Responses Attributable to Dominican	184

The cost for responses to Dominican University is \$56,672 (184 responses X \$308 per response)

Emergency – 911

TABLE 14
SHARE OF VORF E-911 SERVICE EXPENSES
IN 2009 ATTRIBUTABLE TO CUC AND DU
(VILLAGE RECORDS)

University	Percent Attributable to University	2009 Budget	Share of Budget Allocated to University
Concordia	2.44%		\$13,957
Dominican	2.44%		\$13,957
Total	4.88%	\$572,027	\$27,915

OTHER PUBLIC SAFETY ACTIVITIES

Emergency Preparedness Day

On August 8, 2009 Dominican University hosted an Emergency Preparedness Day on its campus. The value of services provided includes over \$30,000 in personnel costs and over \$20,000 in space rental and campus usage costs. The total cost to the University for the Day was \$50,436. (Table 15)

**TABLE 15
EMERGENCY DRILL – AUGUST 2009 - VALUE OF SERVICES PROVIDED**

Activity	Number of People Involved	Hours per person	Total Personnel Hours	Salary & Benefits per Hour	Total Cost
Village meetings on campus	5	38.5	192.5	\$53.20	\$10,241
Planning with others					
Provost cabinet	14	2.0	28.0	\$106.40	\$2,979
Presidents cabinet	10	2.0	20.0	\$106.40	\$2,128
Emerg. Response Team	6	4.0	24.0	\$53.20	\$1,277
Rescheduling efforts	3	4.0	12.0	\$53.20	\$638
Communication efforts	3	2.0	6.0	\$53.20	\$319
August 8 th day	30	7.0	210.0	\$33.25	\$6,983
Move of classrooms	120	0.5	60.0	\$26.60	\$1,596
Debrief	35	2.0	70.0	\$53.20	\$3,724
October 8th debrief	4	2.0	8.0	\$53.20	\$426
TOTAL PERSONNEL COST					\$30,311
Space rentals (40.5 hours x \$250/hour)			40.5	\$250	\$10,125
Campus use for the day (10 hours x \$1,000/hour)			10	\$1,000	\$10,000
TOTAL COST FOR EMERGENCY DRILL					\$50,436

Police and Fire Department Training

Concordia University hosted four River Forest Police and Fire testing events and four Rapid Deployment Training Events in 2009. The value of University facility use was \$4,290.

Dominican University hosted four Police and Fire training and workshop events. The facility use cost was \$2,000.

Desplaines River Flood Help

The Desplaines River overflowed its banks in August 2009. Both Concordia and Dominican Universities contributed volunteers to assist in the recovery efforts. Ten people each from Concordia and Dominican worked for average of six hours each. Given a time value of \$20 per hour the value of contributed time was \$1,200 for each university.

RECREATION

Swimming Pool

Concordia has operated a swimming pool on its campus for many years. It offers swimming lessons, open swim and lap swim sessions, and pool rentals for members of the public. Total revenues in FY 2009 were \$161,500 and operating and overhead expenses were \$314,300. This resulted in an operating loss of \$152,800 for the year.

River Forest residents accounted for 49.9% of pool usage. Applying this percent to the operating loss yields a benefit to River Forest was \$76,247. (Table 16)

Many Chicagoland municipalities operate swimming pools. If the CUC swimming pool were not available public pressure would be very great for the Village to own and operate a pool.

**TABLE 16
CONCORDIA UNIVERSITY SWIMMING POOL
OPERATIONS FY 2009**

Total Revenues	\$161,500
Total Expenses	\$314,300
Net Loss	-\$152,800
x VORF public usage percent of 49.9%	x 49.9%
Cost of VORF pool usage	-\$76,247

Event Hosting

Dominican University hosted the retirement event for Village President Frank M. Paris in 2009. The cost was \$1000.

TAX PAYMENTS

Concordia University Property Tax

The Village of River Forest does not receive property tax revenue on the land belonging to the universities. If Concordia and Dominican were to leave the Village much of their property would probably be converted to residential use. Either a developer or the Village would have to put millions of dollars into developing the property infrastructure before houses could be built on the property.

An independent appraisal of the Concordia University property was conducted in 2009 to assess its value for the purposes of conversion to housing. The property was appraised at \$13,800,000. If all of the Concordia property were converted to housing the Village would have received \$120,580 in property tax revenue in 2008. This figure was calculated using 2008 property assessment ratios and the Village share of property tax receipts. (Table 17)

A change from educational to residential use would have several effects on River Forest. The green space provided by the Concordia campus would diminish. School population would increase because more children would be living in the new houses thereby putting more pressure on the River Forest Public School system. More streets, sewers and other infrastructure would have to be built. To accommodate these changes some of the University land would not be developed.

Fifty three percent of River Forest land is exempt from property taxes. 23% of the Village is owned by the Cook County Forest Preserve and the River Forest Park District. Twenty percent is occupied by streets. Almost five percent is held by Concordia and Dominican Universities. Five percent is held by exempt property owners. (Table 18)

If the Concordia campus were to be developed into housing there would be pressure to maintain the balance of green space that currently exists. Setting aside 23% of the campus for open space would take 8.9 acres. Setting aside space for streets would take 7.8 acres. This would leave 21.7 acres of the 38.4 acre campus for housing. The resulting increase in property tax revenue to the Village would be \$68,159 after these offsets. (Table 19)

TABLE 17
GAIN IN VILLAGE PROPERTY TAX REVENUE IF
ENTIRE CONCORDIA CAMPUS WERE CONVERTED TO HOUSING

Value of Property for Purpose of Housing Conversion	/	Conversion Rate to Assessed Value	X	Conversion Rate to Equalized Assessed Value	X	Tax Rate Equalized Assessed Valuation (EAV)	X	VORF Share of Property Tax Bill	=	Foregone Property Tax Revenue
Property Tax if Converted to Housing		3		2.9786		8.015%		10.98%		\$120,580

**TABLE 18
LAND USE IN RIVER FOREST**

Category	Acres	Percent of All Land
EXEMPT		
Cook County Forest Preserve	337.0	21%
Concordia University	38.4	2%
Dominican University	39.0	2%
River Forest Park District	28.3	2%
River Forest Public Schools	11.6	1%
Streets	318.2	20%
Other Non Taxable	60.0	4%
Total Non Taxable Land	832.4	53%
NON EXEMPT		
	739.6	47%
River Forest Area	1572.1	100%

**TABLE 19
CONVERSION OF CONCORDIA UNIVERSITY PROPERTY IF
GREEN SPACE AND STREET RATIOS ARE MAINTAINED**

Land Use	Percent of Land Area	Land Use after Sale of Campuses	Offset of Property Tax
University Campus Area		38.4	\$120,580
<u>Non Taxable Uses</u>			
Parkland	23%	8.9	\$28,015
Streets	20%	7.8	\$24,405
Total Non Taxable Use		16.7	\$52,421
Total Taxable Use	57%	21.7	\$68,159

Dominican University Property Tax

Dominican property holdings (39 acres) are almost the same size as those of Concordia. It is assumed that the value of the Dominican property for the purpose of conversion to housing is the same as that for the Concordia campus - \$13,800,000.

The same property assessment value and method was used to estimate the foregone property tax revenue for Dominican University

Employee Property Tax

Concordia and Dominican employees paid an estimated \$37,989 in property taxes to the Village of River Forest in FY 2009. The method for this result is explained below.

River Forest residents who were older than 25 paid an average of \$1,265 in property taxes to the Village in FY 2009. This does not include payments to the public school system, the County and other entities. This figure also reflects average payments by each adult resident rather than by household units. (Table 20)

Concordia has twenty five employees who live in the Village. Concordia employees earn 55% of the Village average salary. The \$1,265 average property tax payment is multiplied by 25 employees and 55%. This results in an amount of \$17,497 paid in property taxes by Concordia employees. (Table 21)

Dominican also has twenty five employees living in the Village. Dominican employees earn 65% of the Village average salary. The \$1,265 average property tax payment is multiplied by 25 employees and 65%. This results in an amount of \$20,492 paid in property taxes by Concordia employees. (Table 21)

TABLE 20
AVERAGE PROPERTY TAX PAYMENTS MADE BY RIVER
FOREST RESIDENTS 25 YEARS AND OLDER IN FY 2009

River Forest Property Tax Receipts in FY 09 (1)	X	Residential Equalized Assessed Valuation as a Percent of Total in 2008 (2)	/	Population 25 Years and Over (3)	=	Average RF Adult Resident Property Tax Payment
\$9,439,952		96.96%		7,237		\$1,265

- 1) Village of River Forest Comprehensive Annual Financial Report for the Year Ended April 30, 2009. Statement of Activities
- 2) Illinois Department of Revenue Data File
- 3) United States Bureau of the Census. 2000 Census

TABLE 21
AVERAGE PROPERTY TAX PAYMENTS TO RIVER FOREST BY
UNIVERSITY EMPLOYEES IN FY 2009

University	Number of Employees Living in RF	X	Average RF		University Wage as Percent of RF Average Wage (1)	=	Estimated Property Tax Payments by University Employees
			Adult Resident Property Tax Payment	X			
CUC	25		\$1,265		55%		\$17,497
DU	25		\$1,265		65%		\$20,492
TOTAL	50						\$37,989

1) Concordia and Dominican Universities. U.S. Bureau of the Census

Student Property Tax

University students who rent apartments in River Forest made an estimated \$4,249 in property tax payments to the Village in FY 2009. This is because 25% of rent payments are considered to go to property tax payments and the Village received 10.98% of property taxes paid in the Village. (Table 22)

TABLE 22
ESTIMATE OF RIVER FOREST PROPERTY TAX PAYMENTS
FROM UNIVERSITY STUDENTS IN 2008-2009

University	Rental Payments	X	Percent to Property Tax (1)		Share of Tax to VORF	=	Property Tax From Students
			X				
Concordia	\$54,000		25%		10.98%		\$1,482
Dominican	\$100,800		25%		10.98%		\$2,767
Total							\$4,249

1) Illinois Compiled Statutes (320 ILCS 25/3.11) (from Ch. 67 1/2, par. 403.11)

Employee Income Tax

Concordia and Dominican employees paid an estimated \$4,253 in income taxes to the Village of River Forest in FY 2009. The method is explained below.

River Forest residents older than age 25 paid an average of \$142 in income taxes to the Village in FY 2009. This figure reflects average payments by each adult resident rather than by household units. (Table 23)

Concordia and Dominican have a total fifty employees who live in the Village. Concordia employees earn an average of 55% of the Village average salary and Dominican employees earn an average of

65% of the Village average salary. \$142 is multiplied by the number of University employees and the ratio of the University salaries to the Village average salary. (Table 24)

TABLE 23
AVERAGE INCOME TAX PAYMENTS MADE BY RIVER FOREST RESIDENTS 25 YEARS AND OLDER IN FY 2009

River Forest Income Tax Receipts in FY 09 (1)	/	Population 25 Years and Over (2)	=	Average RF Adult Resident Income Tax Payment
\$1,024,643		7,237		\$142

1) Village of River Forest Comprehensive Annual Financial Report for the Year Ended April 30, 2009. Statement of Activities

2) United States Bureau of the Census. 2000 Census

TABLE 24
AVERAGE INCOME TAX PAYMENTS TO RIVER FOREST BY UNIVERSITY EMPLOYEES IN FY 2009

University	Number of Employees Living in RF	X	Average RF Adult Resident Income Tax Payment	X	University Wage as Percent of RF Average Wage (1)	=	Estimated Income Tax Payments by University Employees
CUC	25		\$142		55%		\$1,959
DU	25		\$142		65%		\$2,294
TOTAL	50						\$4,253

1) Concordia and Dominican Universities. U.S. Bureau of the Census

Sales Tax from University Auxiliary Enterprises

Bookstores, food services, and vending machines affiliated with Concordia and Dominican Universities paid \$28,597 in sales taxes to the Village of River Forest in FY 2009. (Table 25)

TABLE 25
SALES TAX PAID BY UNIVERSITY AUXILIARY ENTERPRISES 2009

	Concordia	Dominican	Total
Bookstore	\$11,111	\$12,812	\$23,923
Vending Machines		\$1,230	\$1,230
Food Service	\$1,667	\$1,778	\$1,667
TOTAL	\$12,778	\$15,819	\$28,597

Sales Tax paid by Students and Resident Employees

Concordia University students and employees living in River Forest paid an estimated \$2,848 in Village sales taxes in FY 2009. The average personal spending budget of the 678 CUC dormitory students was \$3,000. It is estimated that they made 5% of their personal purchases in the Village. A one percent sales tax on this amount results in \$1,017. The 593 CUC commuter students have a similar personal spending budget and made an estimated 2% of their purchases in the Village. This results in \$355 dollars in sales taxes for the village. (Table 26)

Dominican University resident students spent \$926 in Village sales taxes in 2009 while DU commuter students spent \$979. (Table 27)

The calculation for resident employee sales tax payments is similar to that used in the property and income tax sections above. River Forest received \$781,536 in sales taxes in FY 2009. Village sales tax revenue was multiplied by 25/7,237 (the ratio of University employees living in River Forest to the adult population) and the ratios of the University average salary to the Village average salary.

Concordia employees spent \$1,476 in Village sales taxes in 2009. Dominican employees spent \$1,728 in Village sales taxes in 2009. (Tables 26 and 27)

**TABLE 26
CONCORDIA UNIVERSITY VILLAGE SALES TAX ESTIMATES**

Category	Number	X	Annual Personal Spending Budget	X	Estimated Percent Spent in RF	X	Percent Sales Tax to RF	=	Value of Sales Tax
Dormitory Students	678		\$3,000		5%		1%		\$1,017
Commuter Students	592		\$3,000		2%		1%		\$355
Employees Living in RF	25								\$1,476
TOTAL									\$2,848

**TABLE 27
DOMINICAN UNIVERSITY VILLAGE SALES TAX ESTIMATES**

Category	Number	X	Annual Personal Spending Budget	X	Estimated Percent Spent in RF	X	Percent Sales Tax to RF	=	Value of Sales Tax
Dormitory Students	617		\$3,000		5%		1%		\$926
Commuter Students	1632		\$3,000		2%		1%		\$979
Employees Living in RF	25								\$1,728
TOTAL									\$3,633

Utility Tax

Concordia University paid \$24,590 in Village utility and telecommunication taxes to the Village in FY 2009. Dominican University paid \$25,000

TRANSPORTATION**Public Works**

The Village public works budget for FY 2009 was \$1,363,950 for its 75 miles of streets. To calculate the allocation to CUC and DU, the percent of total street frontage for each university was multiplied by the public works budget. This method yielded \$15,785 and \$11,148 for Concordia and Dominican respectively. (Table 28)

**TABLE 28
SHARE OF 2009 VORF PUBLIC WORKS EXPENSES ALLOCATED
TO CUC AND DU (VILLAGE RECORDS)**

University	Miles of University Frontage	/	Miles of Village Frontage	=	Percent Attributable to University	X	2009 VORF Budget	=	Share of Budget Allocated
Concordia	0.868		75		1.16%		\$1,363,950		\$15,785
Dominican	0.613		75		0.82%		\$1,363,950		\$11,148
Total					1.97%				\$26,933

UNIVERSITY IMPACT ON THE RESIDENTS OF RIVER FOREST

CULTURE

Cultural Programs

Village residents attended the cultural programs of the two universities about 12,800 times last year. These programs included concerts, theatre performances, music lessons, piano recitals, school graduations and other events. The attendance was split almost evenly between Concordia and Dominican.

River Forest residents benefited from having these programs close to their homes. This saved them from longer round trips to other more distant events. Average travel time saved is estimated at one hour concerts and theater performances and a half hour for other events. That is because a local person is most often choosing between staying in River Forest or driving into downtown Chicago. When leisure time is valued at \$20 an hour the value of time saved was \$226,000. (Tables 29 and 30)

The Dominican University Performing Arts Center had a revenue loss of \$250,000 in FY 2009. People who lived in River Forest comprised 24.4% of attendance. This means that there was a subsidy for Village residents of \$61,057. (Table 31)

**TABLE 29
CONCORDIA UNIVERSITY CULTURAL PROGRAMS
- TIME VALUE TO RIVER FOREST RESIDENTS**

Event Category	Attendance from River Forest	X	Hours of Travel Time Saved	X	Hourly Value of Leisure Time	=	Total Value of Time Saved
Conferences	165		0.5		\$20.00		\$1,650
Concerts	2,135		1		\$20.00		\$42,700
Theatre	1,283		1		\$20.00		\$25,660
Piano Lessons	2,400		0.5		\$20.00		\$24,000
Student Piano Recitals	420		0.5		\$20.00		\$4,200
Totals	6,403						\$98,210

**TABLE 30
DOMINICAN UNIVERSITY CULTURAL PROGRAMS
- TIME VALUE TO RIVER FOREST RESIDENTS**

Event Category	Attendance from River Forest	X	Hours of Travel Time Saved	X	Hourly Value of Leisure Time	=	Total Value of Time Saved
Events	2,281		1		\$20.00		\$45,620
Theatre	4,119		1		\$20.00		\$82,380
Totals	6,400						\$128,000

**TABLE 31
SUBSIDY TO RIVER FOREST RESIDENTS OF THE
DOMINICAN UNIVERSITY PERFORMING ARTS CENTER FY 2009**

Event Category	Attendance from River Forest	Total Attendance	RF Percent of Attendance	X	Net Revenues	=	River Forest Share of Loss
Events	2,281	15,599	14.6%				
Theatre	4,119	10,606	38.8%				
Total	6,400	26,205	24.4%		-\$250,000		-\$61,057

Events include concerts, theater, ballet, and school graduations

Libraries

The Rebecca Crown Library of Dominican University is heavily used by River Forest residents. Library numbers show that almost \$57,000 in library expenses was attributable to people living in the Village.

In 2009 there were 10,403 logins on Library computers from non-Dominican individuals. 12.8% of these non-Dominican logins were by River Forest residents. The rest of the non-Dominican logins were by people living in Oak Park, Forest Park, and other neighboring communities. At a cost of \$12 per hour for an average of 1.6 hours per login, the expense for supporting RF computer use in the library was \$25,566. (Table 32)

Other Village related expenses included use of reference personnel, the cost of free printing, Open Mic Storytelling Expense, and Library overhead expense brought the total expense for River Forest residents to \$56,948. (Table 32)

The Klinck Memorial Library of Concordia University estimates an average of six River Forest resident reference requests per month. Based on a cost per incident of \$45.00 the value of Village use was \$3,240 in 2009.

TABLE 32
DOMINICAN UNIVERSITY REBECCA CROWN LIBRARY
COST OF RIVER FOREST USAGE

Annual Public Logins on DU Library Computers	X	% of RF Logins	X	Cost per hour	x	Hours per login	=	Cost of RF logins
10,403		12.8%		\$12		1.6		\$25,566
Annual Hours of Public Reference Desk Usage	X	% of RF Use	X	Cost per hour			=	Cost of RF reference use
884		12.8%		\$45				\$5,092
Annual Number of Free Pages Printed	X	% of RF Use	X	Cost per page			=	Cost of RF printing
335,296		12.8%		\$0.10				\$4,292
Annual Library Overhead Expense Devoted to Public Use	X	% of RF Use					=	Contribution of RF Users to Overhead Expense
\$72,250		12.8%						\$9,248
Open Mic Storytelling Expense							=	\$12,750
TOTAL COST OF RF LIBRARY USAGE								\$56,948

EDUCATION

Early Childhood Centers

River Forest residents benefit in at least two ways from the presence of the Concordia University Early Childhood Center. The fees for the Center are subsidized by the University. Its proximity to their homes saves them an average of a half hour round trip to another facility.

Concordia University had a net loss of \$338,000 on the operations of its Early Childhood Center in FY 2009. One third of the children who used the Center were from River Forest. Therefore the subsidy for River Forest residents was \$114,008. (Table 33)

River Forest parents benefit greatly from having in their midst an early childhood program managed by the Concordia School of Education. This saves them from longer drives to equivalent schools in

other towns. The value of one hour of time saved for 85 children for 225 school days per year is \$382,500. (Table 34)

The Dominican University Early Childhood Center is the daily event for seven River Forest children. The value of one hour of time saved for 7 children for 225 school days per year is \$31,500. (Table 35)

TABLE 33
SUBSIDY TO RIVER FOREST RESIDENT OF THE CONCORDIA UNIVERSITY EARLY CHILDHOOD CENTER FY 2009

Total Number of River Forest Students	85	33.7%
Total Number of Other Students	167	66.3%
Total Students	252	100.0%
Revenues		\$1,660,000
Expenses:		1,998,000
Net		-\$338,000
River Forest Students		-\$114,008
Other Students		-\$223,992
Total		- \$338,000

TABLE 34
TIME VALUE OF THE CONCORDIA UNIVERSITY EARLY CHILDHOOD CENTER TO RIVER FOREST RESIDENTS

Number of RF Students	X	Annual Number of School Days	X	Hours of Travel Time Saved per Day	X	Value of Time/ Hour	=	Time Value of Program
85		225		1		\$20		\$382,500

TABLE 35
TIME VALUE OF THE DOMINICAN UNIVERSITY EARLY CHILDHOOD CENTER TO RIVER FOREST RESIDENTS

Number of RF Students	X	Annual Number of School Days	X	Hours of Travel Time Saved per Day	X	Value of Time/ Hour	=	Time Value of Program
7		225		1		\$20		\$31,500

Gifted and Talented Program

Dominican University operates a Summer Gifted and Talented Program. Four one-week classes are offered for children in grades two through seven. In 2009 there were 309 participants, fourteen of whom were from River Forest. Most children attend for one week.

River Forest parents benefit by having a program for their precocious children within a very short drive from their homes. This saves them from ten longer round trips to the Longfellow School in Oak Park or to other more distant opportunities.

The fourteen parents save five hours per week because of the close location. When non-work time is valued at \$20 per hour the total value of their saved time is \$1,400.

Nannies

The employment of local college students for childcare and other domestic duties is a benefit of living close to the universities in River Forest. While it is not possible to know exactly how many Concordia and Dominican students work as “nannies” and the nature of their work time, the following assumptions are reasonable: River Forest residents employ twenty college students from each university for three hours per week for thirty weeks per year. These work arrangements are established between individuals and without using employment agencies. Five dollars per hour is saved by not using agencies. Table 36 illustrates that this saves Village residents \$18,000 per year.

**TABLE 36
ESTIMATE VALUE OF UNIVERSITY STUDENT
NANNY SERVICES TO RIVER FOREST RESIDENTS**

University	Nannies employed per year	X	Weeks of Employment Per Year	X	Hours of Employment per week	X	Hourly Agency Fee Saved	=	Value of Using University Nannies
Concordia	20		30		3		\$5		\$9,000
Dominican	20		30		3		\$5		\$9,000
Total									\$18,000

Education for residents

In FY 2009 Concordia and Dominican Universities gave their undergraduate students \$9.4 million and \$16.4 million in financial aid respectively. This came to an average of \$7,427 per student for Concordia and \$10,208 per student for Dominican. There are twenty permanent River Forest residents who attend Concordia as undergraduates. Together they received a total of \$148,541 in financial aid from the University in FY 2009. The equivalent figure for the 26 permanent River Forest students at Dominican was \$275,814. (Table 37)

TABLE 37
VALUE OF UNIVERSITY TUITION DISCOUNTS
TO RIVER FOREST RESIDENTS

University	Number of River Forest Permanent Resident Undergraduates	Average Tuition Discount per Full Time Undergraduate Student	Total Value of River Forest Discounted Tuition
Concordia	20	\$7,427	\$148,541
Dominican	26	\$10,608	\$275,814
Total	46		\$424,355

Student Teachers and Aides

There were 115 Concordia and Dominican University students who served as student aides or student aides or teachers in 2009. The services of aides is valued at \$10 an hour and that of student teachers at \$15 an hour. The value of services of Concordia students was \$18,440. (Table 38) The value of services of Dominican students was \$12,500. (Table 39)

TABLE 38
VALUE OF CONCORDIA UNIVERSITY
STUDENT AIDES IN RIVER FOREST IN 2009

Student Aide Assigned to RF Schools	X	Hours per Student	X	Hourly Value of Time	=	Value of Student Aides
72		27		\$10		\$19,440

TABLE 39
VALUE OF DOMINICAN UNIVERSITY STUDENT
TEACHERS AND AIDES IN RIVER FOREST IN 2009

Student Category	Students Assigned to RF Schools	X	Hours per Student	X	Hourly Value of Time	=	Value of Student Aides
Aides	41		25		\$10		\$10,250
Teachers	2		75		\$15		\$2,250
Total	43						\$12,500

RECREATION

Track and Field

River Forest residents benefit in at least two ways from the presence of the Concordia University track and field facility. The use of the track is free to them and therefore subsidized by the University. Its proximity to their homes saves them an average of a half hour round trip to another facility.

Table 40 shows that CUC incurred a loss of \$154,675 from the operation of the track and field in FY 2009. Table 41 shows that value of time saved is worth \$87,500 to River Forest residents.

TABLE 40
SUBSIDY TO RIVER FOREST RESIDENTS OF CONCORDIA
UNIVERSITY TRACK AND FIELD OPERATIONS FY 2009

Total Revenues	\$50,000
Total Expenses	\$204,675
<hr/>	
Net Revenue (Loss)	-\$154,675
X VORF public usage percent of 43.8%	x 43.8%
<hr/>	
Cost of VORF track and field usage	-\$67,748

TABLE 41
TIME VALUE OF THE CONCORDIA TRACK AND
FIELD TO RIVER FOREST RESIDENTS

Annual RF Resident Usage		Hours of Travel Time Saved per Day		Value of Time per Hour		Time Value
8,750	X	0.5	X	\$20	=	\$87,500

Athletic Camps

Concordia offers week-long summer camps in eight sports. 595 children attended last year for the one week camps. The close proximity of the camps in the Village saved parents two and a half hours per week. When leisure time is valued at \$20 an hour this places a value of \$29,750 on the time that is saved. (Table 42)

Dominican's sports camps attracted one hundred children and the time saved last summer is valued at \$5,000 (Table 42)

TABLE 42
TIME VALUE OF UNIVERSITY SPORTS CAMPS
TO RIVER FOREST RESIDENTS

University	Attendance from River Forest	X	Hours of Travel Time Saved per Week	X	Hourly Value of Time	=	Total Value of Time Saved
Concordia	595		2.5		\$20.00		\$29,750
Dominican	100		2.5		\$20.00		\$5,000
Total							\$34,750

Sports Team Support

Dominican University contributes \$300 annually for a River Forest soccer team and \$500 for the Oak Park/River Forest Pony baseball team for a total of \$800.

Concordia University spends \$700 to support a basketball and a softball team from River Forest.

SOCIAL SERVICE

STUDENT COMMUNITY SERVICE

Concordia and Dominican University students participated in over 1,200 hours of community service in River Forest in 2008-2009 academic year. This had a value of \$12,240 to the residents of River Forest. (Table 43)

TABLE 43
VALUE OF UNIVERSITY STUDENT COMMUNITY
SERVICE TO RIVER FOREST

University	Annual Hours of Student Community Service	Value per Hour	Total Value of Student Teachers and Aides
Concordia	625	\$10	\$6,250
Dominican	599	\$10	\$5,990
Total	1,224		\$12,240

TRANSPORTATION

Parking Garage

An average of sixty four River Forest residents use the Concordia University parking garage every day. The cost to the University of providing this service was \$45,024 in 2009. When revenues of \$12,000 were subtracted from this amount CUC bore a cost of \$45,024 for River Forest residents who used the garage. (Table 44)

**TABLE 44
BENEFIT OF CONCORDIA UNIVERSITY PARKING
GARAGE OPERATIONS TO RIVER FOREST
RESIDENTS IN FY 2009**

Total Revenues from River Forest Residents	\$12,000
Total Expenses for River Forest Residents	-\$57,024
<hr/>	
Cost of River Forest Parking Garage Usage	\$45,024

FUTURE UNIVERSITY BENEFITS FOR THE RESIDENTS OF THE VILLAGE OF RIVER FOREST

COMMUNICATION

Cell phone Tower

Concordia University will have a cell phone tower placed on top of its parking garage in 2010. It will significantly improve cell phone service for AT&T, Sprint and T-Mobile customers, particularly in the quadrant bounded by Division, North Harlem, Chicago and Lathrop. Almost 1000 River Forest residents will gain improved cell phone service within their homes. The improved service will have a value to them of almost \$257,000 a year. (Tables 45 and 46)

**TABLE 45
RIVER FOREST RESIDENTS BENEFITED BY
NEW CONCORDIA CELL PHONE TOWER**

		Percent of RF Area With Better Service		Market Share for Cell Service Providers (2)		Number of People Benefited
River Forest Population 2000	X	(1)	X	=		
11785		15%		56%		988

1) AT&T, Sprint, T-Mobile coverage maps

2) The three carriers have a 56% market share of cell phone service. "2Q09 United States Mobile Operator Forecast, 2008 - 2013" Market research.com.

<http://www.marketresearch.com/product/display.asp?productid=2265643>. accessed 4/12/10

TABLE 46
ANNUAL VALUE TO RIVER FOREST RESIDENTS OF
IMPROVED CELL PHONE SERVICE

Number of People Benefited	X	Average Yearly Hours of RF Cell Phone Use (1)	X	Value of Improved Service per Hour (2)	=	Value of Improved Cell Phone Service
988		52		\$5		\$256,964

- 1) The average cell phone is used 788 minutes a month. ("Mobile-phone culture: The Apparatchik calls." *The Economist*. December 30, 2009). We assume that one third of cell phone use is at home. We divide by 60 to get hourly use per month and multiply by 12 to get annual home use of cell phones.
 $(788 \times 12 \times 60) / 3 = 52.01$
- 2) Cell phone use while driving is valued at \$20 an hour, since there is no other telephone option. It is reasonable to assume that use at home, where there are other communication options, is valued at \$5 an hour.

CONCLUSION

Concordia and Dominican Universities provide numerous advantages for River Forest. The Universities offer education for Village residents whose lifestyles and earning capacities are measurably enhanced by its programs. The presence of both Universities also generates many economic opportunities for the Village government and businesses. The University attracts students and visitors from elsewhere and therefore brings in substantial dollars from outside the Village. These economic advantages, coupled with the additional cultural benefits the Universities offer, attest to the significant contribution of Concordia and Dominican Universities to the Village of River Forest.