

REGIONAL

Why Peoria and Bloomington-Normal battle for residents, and who's winning lately



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Key Points

Commute plays a role in relationship between Peoria and Bloomington-Normal.

Residents consider the differences in the housing markets when making a decision on where to live.

Central Illinois cities are having a "war for talent" with Chicagoland..

Correction: *This story was updated Feb. 9, 2022. An earlier version incorrectly stated the industries of the major employers in Bloomington-Normal.*

Less than 40 miles of interstate highway separate the metro areas of Peoria and Bloomington-Normal. Their economies and ways of life are intertwined in Illinois.

In much the same way that Bradley and Illinois State basketball teams compete in the Missouri Valley Conference in the "War on I-74," Peoria and Bloomington-Normal jostle for residents, talent and businesses.

Some residents, like the Wresinski family, moved to Peoria from Bloomington to get away from what they describe as a corporate culture in Bloomington. Others, particularly Rivian workers, have come to Peoria to find housing amidst Bloomington-Normal's housing shortage.

"There is so much to do here," Krista Wresinski said of Peoria. "So many great parks, restaurants, trails, the river, and we really felt like our family (and especially our kids) could really thrive in this community,"

Because of families like the Wresinskis, lately the Peoria area has been winning the competition against McLean County for residents.

How do Peoria and McLean counties stack up in the census?

More people moved into Peoria County from McLean County, the home of the Bloomington-Normal metro area, than any other county in the U.S. between the years 2015 and 2019, according to U.S. census data.

Peoria County had a net gain of 459 people from McLean County over that time period. However, between 2011 and 2015, Peoria had a net loss of 70 people to McLean County.

Despite those losses to Peoria, Bloomington-Normal has seen a population boom since 2019, thanks in large part to significant growth at Rivian that has left the Bloomington-Normal housing market picked clean and developers scrambling to build more housing.

Bloomington's housing market has become so sparse that Peoria real estate agents are seeing more workers there shopping for homes here, said Ryan Cannon, the president of the Peoria Area Association of Realtors.

"You're seeing more and more Bloomington agents coming into the Peoria market selling houses to people that clearly work in Bloomington," Cannon said.

Census data from 2020 shows Peoria County had a population of 181,830 and McLean County at 170,954. While McLean County has been the less-populous of the two for more than a century, the last three decades have been kinder to its growth. Peoria County today has about 1,000 fewer residents than in 1990, while McLean County has about 41,000 more.

McLean County also scores higher than Peoria in a handful of other key metrics, including home value, median income and education level.

Median owner-occupied home value in McLean County is \$167,000, whereas in Peoria it is \$129,800, according to U.S. census data.

McLean County's median household income is \$67,675. In Peoria County, it is \$55,842.

Peoria County growth: As Dunlap's reputation attracts more residents, what's next for the prospering village?

Bloomington-Normal's effort to attract residents

Bloomington-Normal even advertises its median income as "rivaling suburbia" on its website bnavantage, which is aimed at attracting people to the region.

The advertising campaign, which is targeted at drawing commuters to the city, has run on social media platforms, including Facebook, YouTube and various podcasts, according to Patrick Hoban, president and CEO of the Bloomington-Normal Economic Development Council.

It wasn't originally targeted for commuters, but more broadly at attracting talent.

When the Bloomington-Normal area ran out of available houses, they had to switch the campaign to be commuter-centric, Hoban said.

Comparing employers, schools and crime

There is also a discrepancy in the types of businesses located in the two counties. Peoria had more employer establishments, businesses that have a payroll, than McLean County by a tally of 4,366 to 3,530.

Bloomington, however, had more non-employer establishments, or businesses with no payroll, than Peoria by a count of 9,646 to 9,508, according to U.S. census data.

Caterpillar and OSF HealthCare are the largest employers in Peoria, each employing about 12,000 people, according to data from the Greater Peoria Economic Development Council. State Farm, which is headquartered in Bloomington, is McLean County's largest employer with over 14,000 employees.

In McLean County, 95% of people have at least a high school diploma or higher, compared with 90% in Peoria County. Just over 44% of people in McLean County have a bachelor's degree or higher. In Peoria County, that figure is 30%, according to the census.

Bloomington's School District 87 has a graduation rate of 83%, and Normal's Unit 5 Schools has a graduation rate of 89%. Peoria Public Schools sits at a graduation rate of 76%.

Re-energizing Peoria's downtown: What's the vision for Peoria's downtown? How more residents there might spark a revival

Peoria has a violent crime rate higher than that of Bloomington-Normal. In 2019, Bloomington had a violent crime rate of 353.8 per 100,000 people. Peoria's rate was 451.9 per 100,000 people, according to data from the Federal Bureau of Investigation.

In 2021, Peoria set a record for homicides with 34. Bloomington-Normal totaled 8 homicides in 2021, according to the Pantagraph.

As Bloomington-Normal sees growth at Rivian, Ferrero, State Farm and other major businesses, could we be seeing another population swing in McLean County's favor?

It's too early to tell, but leaders from both counties agree that what's good for Bloomington-Normal is ultimately good for Peoria, and vice versa.

How the regions benefit each other

While there is room for competition and comparisons between Peoria and Bloomington-Normal, leaders from both metro areas agree growth benefits both regions.

"What's good for their economy is good for our economy," said Chris Setti, CEO of the Greater Peoria Economic Development Council.

Setti said the two regions "take advantage of each other's assets, such as Bloomington's Amtrak station or Peoria's riverfront scene, Civic Center and museum."

Regional communities grow: Metamora and Washington are seeing growth. Why they're bucking population trends

That sentiment was echoed by Hoban and the chambers of commerce in both communities.

All agreed the central Illinois region, including other metro areas like Springfield and Champaign-Urbana, works together as one mega-region. Its main competition? The Chicagoland area.

There's no shortage of competition between central Illinois cities for talent, residents, businesses and other quality-of-life commodities, but there is also a heightened sense of the region competing with Chicago. Hoban called it a "war for talent."

"One of the biggest strengths that we have right now when it comes to industry and talent is we're starting to be known for making things," Hoban said.

Setti agreed, saying he thinks central Illinois and Peoria can take advantage of local manufacturing developments, particularly in auto manufacturing.

Charlie Moore, CEO of the McLean County Chamber of Commerce, said attracting workforce talent is "the biggest challenge for everyone."

"We want a thriving local economy, but the regional relationships are really just as important," Moore said. "The world is a keystroke away, so right now as we look at population growth, talent pipeline, workforce, 'What are the experiences and qualities of downstate Illinois that will attract people to move from one part of the county or another, or across the globe, into central Illinois?'"

Talent attraction, remote workers

Competition for talent is key. That is why talent attraction is the main pillar of "Greater Peoria 2030." The plan, pushed by Setti and Peoria Area Chamber of Commerce CEO Joshua Gunn, aims to increase Peoria's census numbers by 2030.

"Priority No. 1 is we want people to live in Peoria and work for Peoria businesses," Gunn said. "But there is still going to be people who get jobs outside Peoria who we want to consider Peoria as a home for them to live because there is a huge economic benefit to that."

Setti had similar thoughts.

"We want to get more people here, whether they choose the Peoria area from McLean County or Chicago or St. Louis or Los Angeles. We think this is a great place to live and raise a family," Setti said.

Making Peoria a destination for remote workers is also a "important piece of the puzzle" in attracting talent to Peoria, Gunn said.

Cities like Topeka, Kansas, and Tulsa, Oklahoma, have instituted remote work campaigns similar to one Gunn thinks could be successful in Peoria.

"Remote work plays an interesting role in attracting people to the region, attracting a talented work force to the region," Gunn said. "Given that they can work

anywhere in the world they can come here and benefit from the affordability we offer, the quality of life we offer and really some of the unique assets we know Peoria and the Peoria-area as being a small city with big-city amenities."

Improving Peoria's core: 14 years in the making: A look at the past, future of Peoria's Warehouse District

Peoria, Bloomington-Normal play to strengths in competition

Peoria is still considered a manufacturing town, while Bloomington's main employers are in the insurance and education sectors.

Peoria flaunts its riverfront downtown and expansive park district as its draws. Bloomington touts its unique downtown and uptown experiences.

"Peoria is a different market (than McLean) in a lot of ways," Gunn said. "We have a much larger urban core, we have more neighborhoods and surrounding municipalities that feed into this urban core ... so we have some different advantages as well as different challenges."

Commute times are another key selling point of both markets. Cannon said when a person moves to the Peoria or Bloomington area from a heavy-traffic state such as California, "they almost laugh at you" when you tell them it's only a 35-to-40-minute drive between Peoria and Bloomington.

"I think locally, if you're a born-and-bred Midwesterner, you think driving 40-50 minutes to work sounds absurd because you can usually live closer to work," Cannon said. "But someone coming from a more trafficked area where it takes hours to get to work every day, they're not even batting an eye at a 35-minute drive from the Uplands in Peoria to Rivian."

Hoban said 30,000 people commute into McLean for work every day, and 25,000 drive out of McLean County for work.

"There's a lot of commuting back and forth," Hoban said. "Whenever we sell our area, we sell the whole region because Bloomington-Normal itself cannot support all the growth here. So we sell central Illinois and all its amenities."

For the Wresinskis, moving back to Peoria was an easy decision. They enjoyed Bloomington-Normal, but they felt it was too "corporate" and "cookie-cutter" for their tastes, calling it a chain-restaurant city where "you always know what you're going to get."

With multiple children with special needs, they said Peoria's school district has been better for their kids than Unit 5 in Normal. And as owners of the Crossfit gym on Adams Street, they feel Peoria is better for small businesses than Bloomington-Normal.

"We decided to move to Peoria after we were married because, honestly, we just love this city," Krista Wresinski said.