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Water Affordability Action Plan: Village of Lynwood, Illinois

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Table of Contents

List of Tables

List of Figures

Executive Summary

The U.S. Environmental Protection Agency (EPA) estimates that 12–19 million U.S. households lack affordable access to water. To better understand challenges facing its residents, Cook County launched a Water Affordability Program, funded by the American Rescue Plan Act and administered by Elevate. As part of this initiative, the Village of Lynwood, Illinois, received a water affordability analysis conducted by the Government Finance Research Center at the University of Illinois Chicago.

Demographic, Socioeconomic, & Built Environment Background

Lynwood's population has hovered just above 9,000 in recent years but shows a gradual decline, with sharper volatility than Cook County overall. The Village has a relatively young age profile compared to the county, yet income trends reveal growing disparities. While median household income rose substantially between 2017 and 2020, it has since declined to $81,216 in 2023. Meanwhile, the share of households in extreme poverty nearly doubled since 2017, highlighting mounting stress on the most vulnerable residents. Lynwood's aging housing stock, with nearly half of homes built before 1960, presents additional risks, including a higher likelihood of lead service lines.

Lynwood Water System

The Village purchases Lake Michigan water through Hammond (IN) and the Village of Lansing (IL), leaving Lynwood with little control over wholesale costs. The Water Department distributes this supply locally and issues monthly consolidated bills that include water, sewer, stormwater, garbage, and recycling. Rates were historically below regional averages, but since 2023 they have escalated sharply: from $5.54 per 1,000 gallons in 2022 to $10.20 by 2025. A typical household using 5,000 gallons per month now pays about $51 which is well above the Lake Michigan Service Area average. Though the Village briefly tested bi-monthly billing, monthly billing remains the standard due to budgeting challenges for fixed-income households.

Water Rates, Usage & Affordability

Lynwood's uniform rate structure does not differentiate between residential or commercial customers, though non-resident users are billed separately. The rapid rise in rates has significantly increased household cost burdens. For many moderate- and higher-income households, water bills remain below the EPA's 2.0–2.5% affordability benchmark. However, residents in the bottom income quintile regularly face water bills exceeding affordability thresholds, and extreme poverty in Lynwood has risen markedly in recent years. Survey data also highlight household struggles with arrearages, payment plans, and service shutoffs.

Key Findings & Recommendations

Drawing on quantitative usage data, demographic trends, resident surveys, and staff interviews, several evidence-based findings and recommendations emerge:

- **Affordability Pressures for Low-Income Households**
  While water is affordable for most middle-income households, affordability challenges are acute for Lynwood's lowest-income residents. The Village should strengthen outreach around assistance programs and explore automatic enrollment options to reduce delinquency and shutoffs.
- **Communication & Transparency**
  Residents report confusion about billing, arrearage policies, and available supports. Lynwood should adopt a consistent, customer-focused communication strategy, by leveraging monthly bill inserts, digital notifications, and website updates, to clarify payment options and assistance opportunities.
- **Rapid Rate Increases**
  Sharp price escalation has moved Lynwood from one of the region's most affordable providers to among the higher-cost systems. It is recommended that Lynwood commission a comprehensive water rate study to project long-term system needs and assess whether a more gradual rate adjustment schedule is feasible.
- **Structural Vulnerabilities**
  Heavy reliance on external wholesale providers and an aging housing stock heighten long-term risk of affordability. Lynwood should pursue funding opportunities for lead service line replacement, infrastructure modernization, and customer assistance to reduce burdens on the most vulnerable households.

In sum, while Lynwood's water remains affordable for many households, deepening poverty, rapid rate increases, and structural vulnerabilities create pressing challenges. The recommendations outlined above provide both immediate and longer-term strategies to stabilize affordability, strengthen the Village's fiscal resilience, and align water services with residents' needs.

1. Introduction

Nationally, the U.S Environmental Protection Agency estimates that between 12.1 million and 19.2 million households lack affordable access to water services.[1] Despite growing recognition of the issue, water affordability policy in the United States remains fragmented.[2] To better understand the challenges facing Cook County residents, the County has launched the Cook County Water Affordability Program.[3] Through this program, administered by Elevate on behalf of Cook County and funded through the American Rescue Plan Act, 10 municipalities were selected to receive water affordability analyses. As part of this effort, the Government Finance Research Center at the University of Illinois Chicago (UIC), commissioned by Elevate, conducted a water affordability analysis for the Village of Lansing, Illinois.

Water, as a household good, is non-rivalrous up to the point of system capacity, yet its provision depends on exclusionary infrastructure and complex pricing structures.[4] These pricing mechanisms, reflecting high fixed costs, often diverge from community well-being objectives, creating tensions between cost recovery and affordability.[5] In fact, municipalities managing water systems rely heavily on customer revenues to cover operations, maintenance, depreciation, and debt repayment.[6,7] However, many systems struggle to fully recover these costs, due in part to political resistance to rate increases and the decline in federal investment since the 1980s.[8,9]

These challenges are especially pronounced for small systems, where declining populations must shoulder fixed operational and infrastructure expenses, and the lack of economies of scale leads to higher per capita costs than those faced by larger

[1] Environmental Protection Agency. (2025). *Water affordability needs assessment*. https://www.epa.gov/waterfinancecenter/water-affordability-needs-assessment
[2] Pierce, G., Chow, N., & DeShazo, J. R. (2020). The case for state-level drinking water affordability programs: Conceptual and empirical evidence from California. *Utilities Policy*, *63*, 101006. https://doi.org/10.1016/j.jup.2020.101006
[3] Cook County Government. (n.d.). *Water affordability program*. https://www.cookcountyil.gov/service/water-affordability-program
[4] Stiglitz, J.E. (1977). The theory of local public goods. In: Feldstein, M.S. & Inman, R.P. (Eds.) The economics of public services. International Economic Association Conference Volumes, pp. 274–333. Palgrave Macmillan. https://doi.org/10.1007/978-1-349-02917-4_12
[5] ibid
[6] El-Khattabi, A. R., Gmoser-Daskalakis, K., & Pierce, G. (2023). Keep your head above water: Explaining disparities in local drinking water bills. *PLOS Water, 2*(12), e0000190.
[7] Medwid, L., & Mack, E. A. (2021). A scenario-based approach for understanding changes in consumer spending behavior in response to rising water bills. *International Regional Science Review*, *44*(5), 487–514. https://doi.org/10.1177/0160017620942812
[8] Massarutto, A. (2007). Water pricing and full cost recovery of water services: Economic incentive or instrument of public finance? *Water Policy 9*(6): 591-613. https://iwaponline.com/wp/article-abstract/9/6/591/31243/Water-pricing-and-full-cost-recovery-of-water?redirectedFrom=fulltext
[9] Congressional Budget Office. (2018). Public spending on transportation and water infrastructure, 1956 to 2017. https://www.cbo.gov/system/files/2018-10/54539-Infrastructure.pdf

providers.[10,11] Affordability concerns are further heightened by the significant infrastructure investment needs projected over the next 25 years.[12] Beyond the financial structure of water systems, affordability is also deeply tied to issues of social equity and environmental justice. While researchers have proposed various measures, there is still no standardized definition of water affordability.[13,14,15]

Most studies assess affordability through indicators such as bill levels, households' ability to pay on time, and sacrifices made to cover costs.[16,17] Studies indicate that a $36 or greater rise in monthly water bills would force households to reduce spending on essentials like groceries, medical care, and car payments.[18] Another indicator of affordability challenges is the rate of delinquent water payments.[19] Water debt and service shutoff rates vary widely across systems, and delinquency tends to cluster geographically in low-income neighborhoods.[20] However, common metrics like Affordability Ratios (ARs) have been critiqued for ignoring income inequality and relying on arbitrary thresholds.[21] In response to these critiques, some researchers suggest using the share of income spent on water services by households in the bottom 20% of income earners, those living in poverty, or those in deep poverty.[22,23] The EPA measures

[10] Raucher, R. S., Rubin, S. J., Crawford-Brown, D., & Lawson, M. M. (2011). Benefit-cost analysis for drinking water standards: Efficiency, equity, and affordability considerations in small communities. *Journal of Benefit-Cost Analysis, 2*(1), 1–24, https://doi.org/10.2202/2152-2812.1004

[11] Spearing, L., Osman, K. K., Faust, K. M., & Armanios, D. E. (2020). Systems vary, affordability should not: Trends of water sector affordability based on city attributes. In *Construction Research Congress 2022* (pp. 627–635). American Society of Civil Engineers, https://doi.org/10.1061/9780784482858.068.

[12] American Water Works Association. (2019). *AWWA reuse survey report: May 2019*. https://www.awwa.org/wp-content/uploads/AWWA-Reuse-Survey-Report-May-2019.pdf

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[16] Medwid, L., & Mack, E. A. (2021). A scenario-based approach for understanding changes in consumer spending behavior in response to rising water bills. *International Regional Science Review*, *44*(5), 487–514. https://doi.org/10.1177/0160017620942812

[17] Patterson, L. A., Bryson, S. A., & Doyle, M. W. (2023). Affordability of household water services across the United States. *PLOS Water*, *2*(5), e0000123.

[18] Laura Medwid and Elizabeth A. Mack, "A Scenario-based Approach for Understanding Changes in Consumer Spending Behavior in Response to Rising Water Bills," International Regional Science Review 44, no. 5 (September 3, 2020): 487–514, https://doi.org/10.1177/0160017620942812.

[19] Jennifer B Skerker, Aniket Verma, Morgan Edwards, Benjamin Rachunok, and Sarah Fletcher, "Alternative Household Water Affordability Metrics Using Water Bill Delinquency Behavior," Environmental Research Letters 19, no. 7 (June 10, 2024): 074036, https://doi.org/10.1088/1748-9326/ad5609.

[20] Jennifer B Skerker, Aniket Verma, Morgan Edwards, Benjamin Rachunok, and Sarah Fletcher, "Alternative Household Water Affordability Metrics Using Water Bill Delinquency Behavior," Environmental Research Letters 19, no. 7 (June 10, 2024): 074036, https://doi.org/10.1088/1748-9326/ad5609.

[21] Teodoro, M. P. (2018). Measuring household affordability for water and Sewer Utilities. *Journal - American Water Works Association*, *110*(1), 13–24. https://doi.org/10.5942/jawwa.2018.110.0002

[22] Teodoro, Manuel P. "Measuring Household Affordability for Water and Sewer Utilities." Journal of the American Water Works Association 110, no. 1 (2018): 13-22.

[23] Gallet, Danielle, Caroline Pakenham, and Margaret Schneemann. "Water Affordability in Northeastern Illinois: Addressing Water Equity in a Time of Rising Costs." Metropolitan Planning

water affordability by determining if household water bills surpass 2.0–2.5% of a community's median household income (MHI),[24,25] but critics argue this benchmark is arbitrary and fails to account for within-community income disparities.[26] These limitations are especially problematic for historically marginalized groups. For example, majority-Black cities face water bill burdens more than double those of majority-White cities,[27] highlighting structural inequities in pricing and access.

Beyond affordability, disparities in water accessibility are observed across different household types, as may be the case in the Village of Lynwood. The household types most affected by such variations are manufactured or mobile homes which are often located on the perimeter of communities. Both manufactured and mobile homes are refer to factory homes built on permanent chassis. The distinction is that manufactured homes are the homes built after 1976 HUD code,[28] while mobile homes are the ones built prior to the 1976 HUD code.

As of 2024, the number of occupants of this type of home in the United States was estimated to be 21.2 million.[29] These units are a significant source of affordable housing and an influential part of the U.S. housing stock, with approximately 90,000–105,000 new units added each year.[30] Often marginalized on account of being detrimental to neighboring properties' value,[31,32,33] these units remain understudied and unexplored. However, some scholars, have highlighted the challenges faced by residents of manufactured or mobile home who sometimes live in a state of quasi-homelessness as

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[25] Goddard, Jessica J., Isha Ray, and Carolina Balazs. "How should water affordability be measured in the United States? A critical review." Wiley Interdisciplinary Reviews: Water 9, no. 1 (2022): e1573.

[26] Teodoro, Manuel P. "Measuring Household Affordability for Water and Sewer Utilities." Journal of the American Water Works Association 110, no. 1 (2018): 13-22.

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[29] Construction Coverage. (2024). *U.S. States Investing Most in Manufactured Housing [2024 Edition]*. Retrieved July 17, 2025, from https://constructioncoverage.com/research/states-investing-most-in-manufactured-housing

[30] Agee, P., Nikdel, L., McCoy, A., & Gao, X. (2024). Manufactured housing: Energy burden outcomes from measured and simulated building performance data. *Energy Policy, 186*, 113985. https://doi.org/10.1016/j.enpol.2024.113985

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[32] Pierce, G., Gabbe, C. J., & Gonzalez, S. R. (2018). Improperly-zoned, spatially-marginalized, and poorly-served? An analysis of mobile home parks in Los Angeles County. *Land Use Policy, 76*, 178–185. https://doi.org/10.1016/j.landusepol.2018.04.051

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they lease the land where the home sits and inhabit between house and automobile. As a result, despite landlord-tenant protections land tenure issues persist.[34] Furthermore, scholars have identified accessibility to fundamental services such as drinking water as a persistent challenge faced by residents of manufactured or mobile homes.[30,35] This is primarily caused by the peripheral location of these homes, which limits their accessibility to the public-and-community facilities. In most cases, this location pattern emerges out of the institutional barriers embedded in the zoning ordinances that restricts their existence within a city.[36]

In the South Suburban corridor in Cook County, IL, the Village of Lynwood is home to a population of over 9,000, and it is facing affordability pressures. Even though the Village purchases water from the neighboring community, the Village of Lansing, IL, the revenue needed to maintain and operate the system increasingly conflicts with the ability of low-income households to afford paying their bills on time. Against this backdrop, commissioned by Elevate Energy, on behalf of Cook County, the Government Finance Research Center (GFRC) at the University of Illinois, Chicago, conducted a water affordability assessment for the Village of Lynwood.

This report combines three complementary evidence streams:

1. **Socio-economic profile** – publicly available data from the American Community Survey (ACS) and other sources to benchmark income, poverty, housing, and demographic trends at the Village and county levels,
2. **Water billing diagnostics** – detailed account-level information supplied by the Village covering usage, rates, arrearages, shut-off activity, and payment-plan participation; and
3. **Resident and stakeholder viewpoints** – residents' survey responses and structured interviews with the residents, municipal officials, and utility staff.

By integrating these quantitative and qualitative insights, recommendations and an action plan have been developed, informed by the project's findings. The focus is on billing and data management improvements, customer communications, and procedural transparency regarding payment options. Targeted suggestions for rate structure, rate changes, and assistance programs are provided through a lens of increasing water affordability. Additionally, subsets of the population most burdened by water bills will

[34] Aman, D. D., & Yarnal, B. (2010). Home sweet mobile home? Benefits and challenges of mobile home ownership in rural Pennsylvania. *Applied Geography, 30*(1), 84–95. https://doi.org/10.1016/j.apgeog.2009.08.001

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are identified, and targeted recommendations, such as automatic enrollment in a payment plan, are offered.

2. Village Background

The Village of Lynwood is located in Cook County, Illinois. It covers a land area of 4.9 square miles, approximately 26 miles south of the City of Chicago, between State Route 394 and the Indiana state line. Lansing borders it to the north, Glenwood to the west, Ford Heights and Sauk Village to the south, and Munster and Dyer, Indiana, to the east.

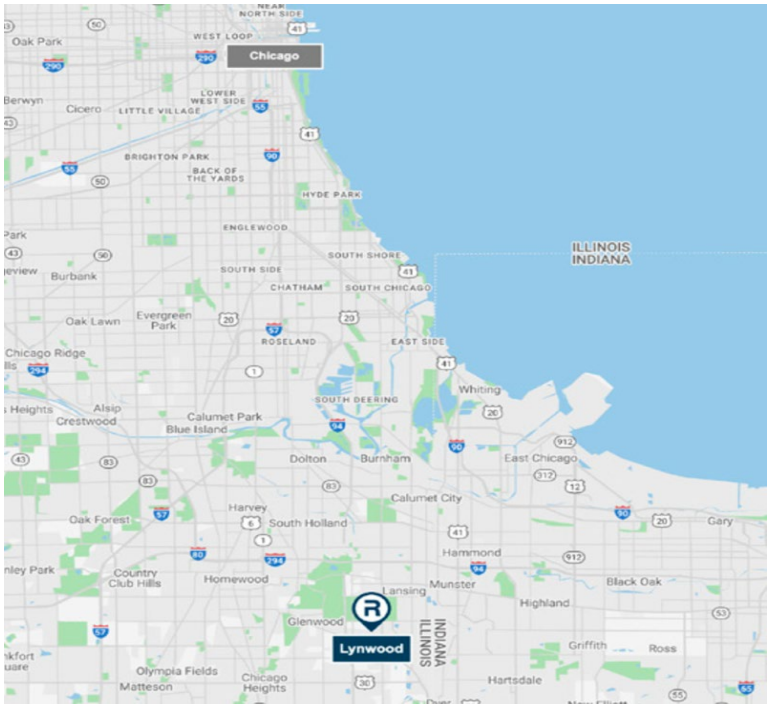
Lynwood was originally settled by Dutch immigrants in the mid-1800s and officially became an incorporated village on December 18, 1959, after 66 of the town's 180 residents voted in favor of incorporation. By 1970, the population had increased to 1,042; today, Lynwood is home to around 10,000 residents.[37] Despite being incorporated in 1959, the area remained sparsely populated, with the 1960 census reporting just 255 residents. Local farmers worked together to cultivate crops like onions, beets, and soybeans, which helped drain the land and improve its productivity. Even into the 1990s, much of the area continued to be used for agriculture.[38]

Due to its access to Chicago and the industries of the Calumet region, several attempts were made to develop large-scale residential developments. Still, there was not a strong demand for housing. In 1980, the population increased to 4,195, but the village had problems with water and sewer services for many years.[39] Lynwood's population remained very modest until development efforts and the supply of Lake Michigan water to the municipality in the 1980s jump-started population growth in the community. Over the years, Lynwood's development pattern shifted from traditionally agricultural land to what many in the Village now call a "bedroom community".[40]

By 2000, the population reached 7,377, with Lake Michigan water being pumped in and flooding control infrastructure improvements, along with some modest commercial growth.[41] Since that time, the population has risen by 22%, bringing it to just over 9,000 residents. Today, Lynwood is a unique blend of attractive neighborhoods, budding commercial and industrial development, and vast farmland that creates a distinct rural atmosphere.

[37] Village of Lynwood. n.d. *About Us*. Lynwood, IL: Village of Lynwood. *About the Village of Lynwood*
[38] Encyclopedia of Chicago. n.d. *Lynwood, IL*. Chicago, IL: Chicago Historical Society. Lynwood, IL
[39] Ibid
[40] Village of Lynwood. n.d. *About Us*. Lynwood, IL: Village of Lynwood. *About the Village of Lynwood*
[41] Encyclopedia of Chicago. n.d. *Lynwood, IL*. Chicago, IL: Chicago Historical Society. Lynwood, IL

Figure 1. Village of Lynwood Map[42]



As of 2023, Lynwood's population stood at 9,047 residents. The racial composition is predominantly African American (54.2%), followed by White (11.9%), with other races and ethnicities comprising the remainder. The Village has 3,359 households, with an average household size of 2.47 individuals and a median household income of $81,216. The data shows a consistent decline in Lynwood's total population over the past decade. From 2017, the population was 9,357, gradually decreasing each subsequent period to 9,047 by 2023 (-3.31%). This steady downward trend suggests ongoing population loss in the Village. In comparison, Cook County also experienced a gradual population decline from 5,238,541 to 5,185,812 over the same period (-1.00%).

Figure 2 presents the population growth rates for Lynwood and Cook County. Between 2017 and 2023, Lynwood and Cook County experienced overall population decline, though Lynwood's trend was more volatile. Lynwood began with a 1.35% growth rate in 2017 but dropped sharply to -0.44% in 2023. Cook County's decline was steadier, decreasing from 0.21% in 2017 to -0.76% in 2023, with a consistent downward trend. Overall, both areas show population loss, with Lynwood experiencing more dramatic fluctuations.

[42] The Retail Coach, LLC. (2023). *Community Demographic Profile: Lynwood, Illinois*

Figure 2. Population Growth Over Time[43]

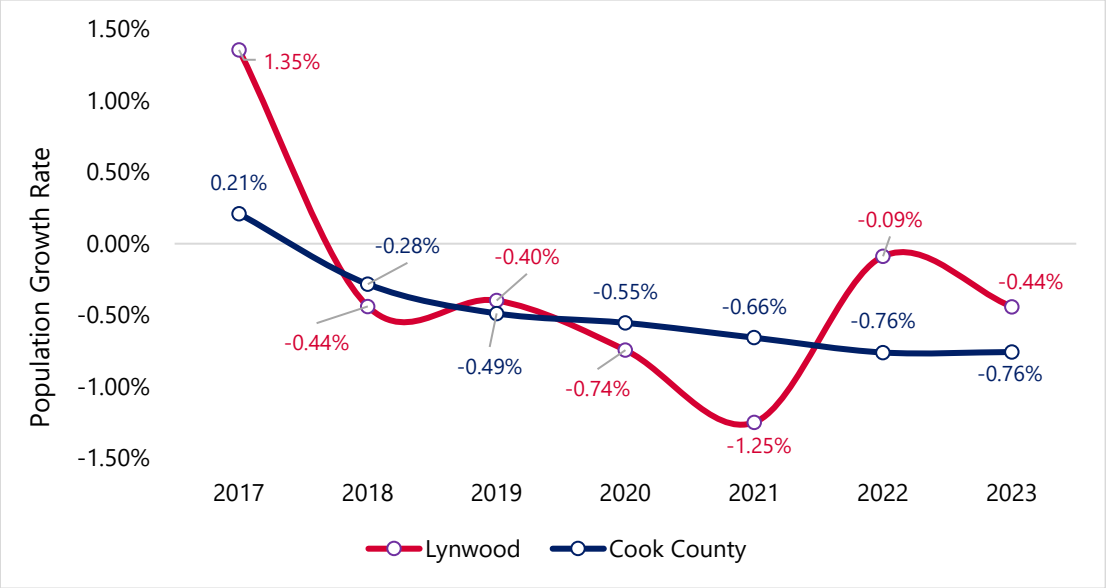
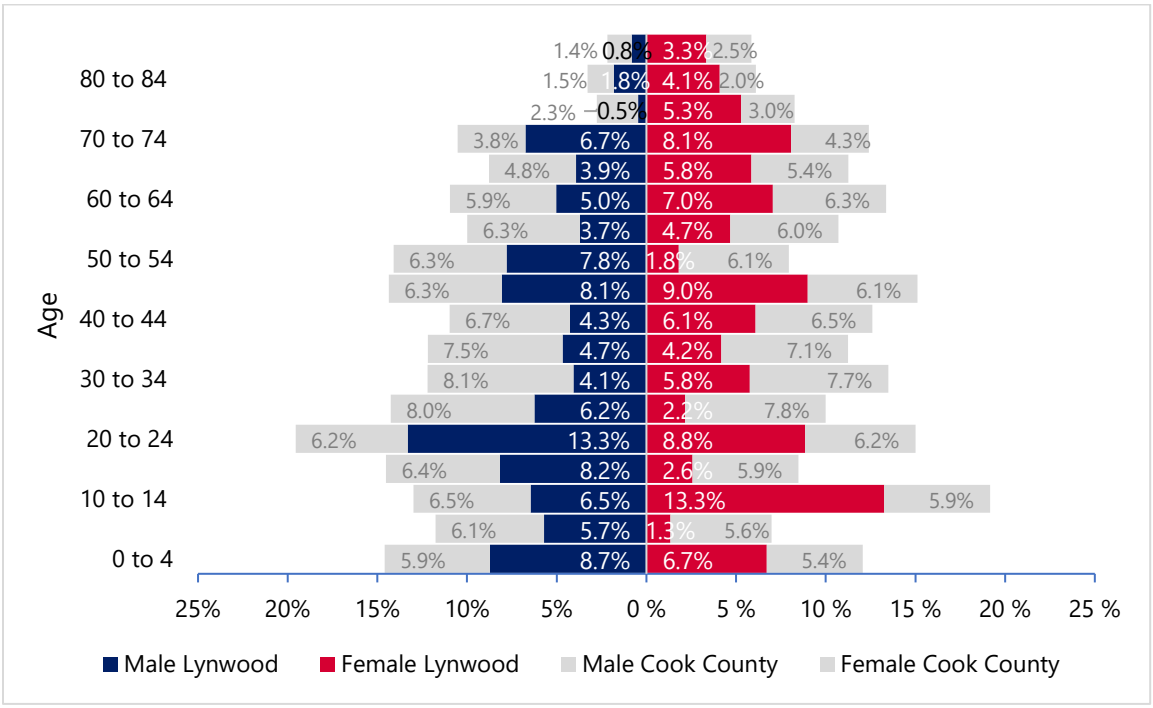


Figure 3. Population Pyramid (2023)[44]



[43] Figure 2 illustrates the annual population growth rate for the Village of Lynwood and Cook County from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS).

[44] Figure 3 illustrates the age and gender distribution in the Village of Lynwood and Cook County for 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS).

Figure 3 illustrates the distribution of residents by age and gender, with blue bars representing males and red bars representing females. Lynwood has a higher proportion of young adults, with 13.3% of males and 8.8% of females in the 20–24 age group, compared to 6.2% for both genders in Cook County. Children aged 0–4 make up 8.7% of males and 6.7% of females in Lynwood, higher than Cook County's 5.9% and 5.4%, respectively. Cook County has a larger elderly population, with 3.3% of females and 0.8% of males aged 85+, while Lynwood has smaller shares in that group. Overall, Lynwood's population skews younger, especially among males, while Cook County has a more even age distribution and higher ages in older age brackets. In Lynwood, the total population in 2023 was 9,047, with 4,274 males and 4,773 females. In Cook County, the total population was 5,185,812, consisting of 2,530,756 males and 2,655,056 females.

Table 1. Race & Ethnicity Comparison Over Time[45]

Race/Ethnicity	Village of Lynwood		Cook County	
	2017	2023	2017	2023
African American	72.27%	65.61%	23.71%	22.48%
American Indian/Alaska Native/ Hawaiian/Other Pacific Islander	0.00%	0.00%	0.30%	0.79%
Asian	0.52%	0.27%	6.99%	7.76%
Hispanic or Latino	10.27%	8.67%	25.05%	26.50%
White	26.28%	14.46%	56.63%	46.45%
Some Other Race	0.00%	7.16%	9.87%	11.42%
Two or More Races	0.93%	12.50%	2.49%	11.10%

Table 1 compares racial and ethnic demographics in Lynwood and Cook County between 2017 and 2023, revealing notable shifts. In Lynwood, the African American population remains the majority but declined from 72.27% in 2017 to 65.61% in 2023. The White population also decreased significantly, dropping from 26.28% to 14.46%. In Cook County, the White population remains the largest group, though it declined from 56.63% to 46.45%. The Hispanic or Latino population grew slightly, from 25.05% to 26.50%, while the Asian population increased from 6.99% to 7.76%. Like Lynwood, Cook County also saw growth in the number of residents identifying as two or more races and some other race. Overall, both Lynwood and Cook County are becoming more racially and ethnically diverse, with a decline in the proportion of traditionally dominant groups and a rise in multiracial and underrepresented populations.

[45] Table 1 compares changes in the racial and ethnic composition of Lynwood and Cook County from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS).

Table 2 compares household size distributions in the Village of Lynwood and Cook County between 2017 and 2023. In Lynwood, there was an increase in the share of one-person and two-person households. Conversely, the proportion of three-person households declined significantly, while the share of households with four or more people also decreased. In Cook County, the distribution was more stable, with a slight increase in one-person households and a minor decline in those with four or more people. The shares of two- and three-person households in the county remained relatively unchanged. For reference, the total number of households in Lynwood was 3,099 in 2017 and 3,359 in 2023 +8.38%), while Cook County had 1,956,561 households in 2017 and 2,084,578 in 2023 (+6.54%).

Table 2. Household Size Over Time[46]

Household Size	Village of Lynwood		Cook County	
	2017	2023	2017	2023
1-person household	23.59%	32.75%	32.56%	34.29%
2-person household	24.75%	28.82%	29.66%	29.88%
3-person household	24.72%	14.80%	15.04%	14.46%
4-or-more-person household	26.94%	23.64%	22.74%	21.37%

Figure 4 shows inflation-adjusted median household income (using annual CPI) for Lynwood and Cook County from 2017 to 2023. In 2017, Lynwood's median household income was $68,703, significantly lower than Cook County's $77,848. However, Lynwood experienced sharp income growth between 2018 and 2020, peaking at $93,669 in 2020, surpassing Cook County's income levels during that period.

Since then, Lynwood's income has steadily declined, falling to $81,216 by 2023 (+18.21%). In contrast, Cook County's median income rose more gradually, increasing from $77,848 in 2017 to $86,704 in 2023 (+11.38%). By 2023, Cook County again had a higher median household income than Lynwood, reversing the trend seen from 2019 to 2022.

Figure 5 shows unemployment rates for Lynwood and Cook County from 2017 to 2023. The unemployment rate in Lynwood saw a significant decline from 14.67% in 2017 to 6.28% in 2023. This trend reflects a positive shift in the labor market, particularly notable during the post-pandemic years. The most dramatic reduction occurred between 2017 and 2021 when the rate dropped from 14.67% to 5.01%. However, a slight uptick was observed in 2023. In comparison, Cook County's unemployment rate remained consistently lower than Lynwood's across all years, ranging from 8.71% in 2017 to 6.88%

[46] Table 2 compares household size distributions in Lynwood and Cook County from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS).

in 2023. The gap between the two areas narrowed considerably over time, especially between 2021 and 2023, indicating that Lynwood has made meaningful progress in closing the employment disparity with the county. Lynwood's labor force decreased from 5,252 in 2017 to 4,188 in 2023 (-20.25%). Cook County's labor force increased from 2,763,344 to 2,783,460 over the same period (+0.73%).

Figure 4. MHI Over Time[47]

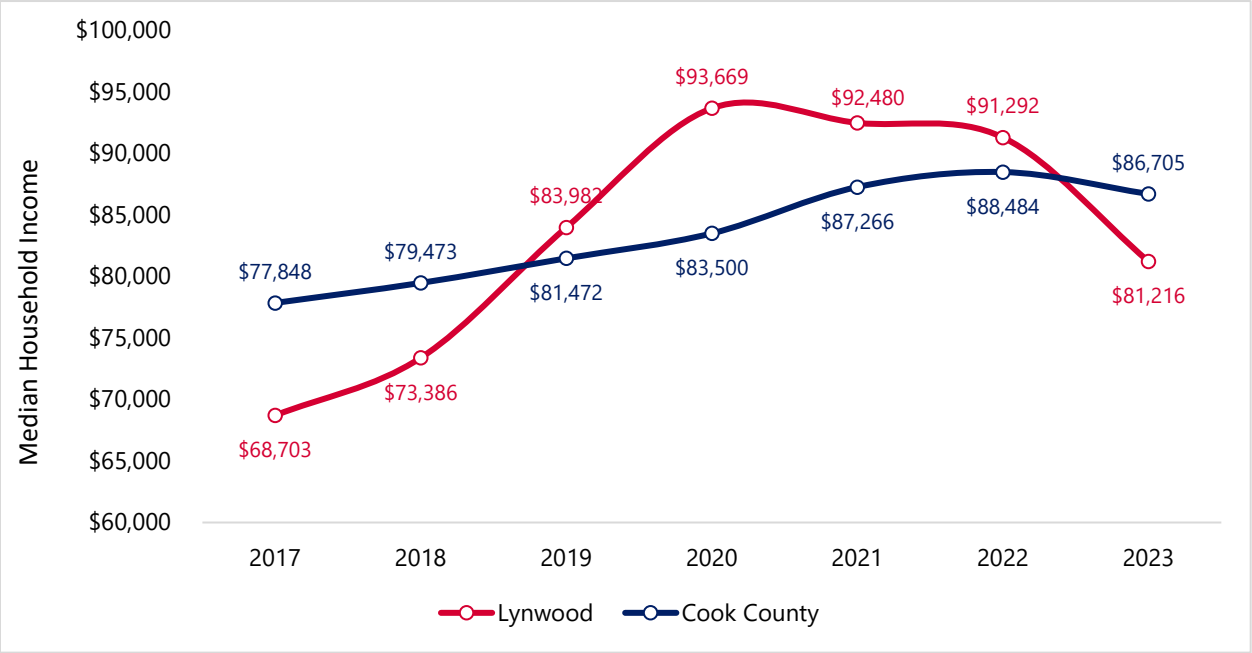


Table 3 indicates that both Lynwood and Cook County experienced a noticeable shift in income distribution, reflecting broader economic trends. In Lynwood, the %age of low-income households (earning less than $50,000) declined significantly from 46.4% to 35.3%, suggesting upward income mobility. Similarly, Cook County saw a decrease in its low-income population from 43.2% to 32.2%. Concurrently, both areas experienced growth in high-income households (earning $150,000 or more), with Lynwood's share more than doubling from 9.1% to 20.5% and Cook County's increasing from 14.1% to 24.1%.

[47] Figure 4 illustrates the inflation-adjusted median household income (MHI) for Cook County and the Village of Lynwood from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS). Lynwood's 2021 median household income was adjusted due to an outlier ($109,123.85); the value was replaced with the average of 2020 and 2022 data for consistency.

Figure 5. Unemployment Over Time[48]

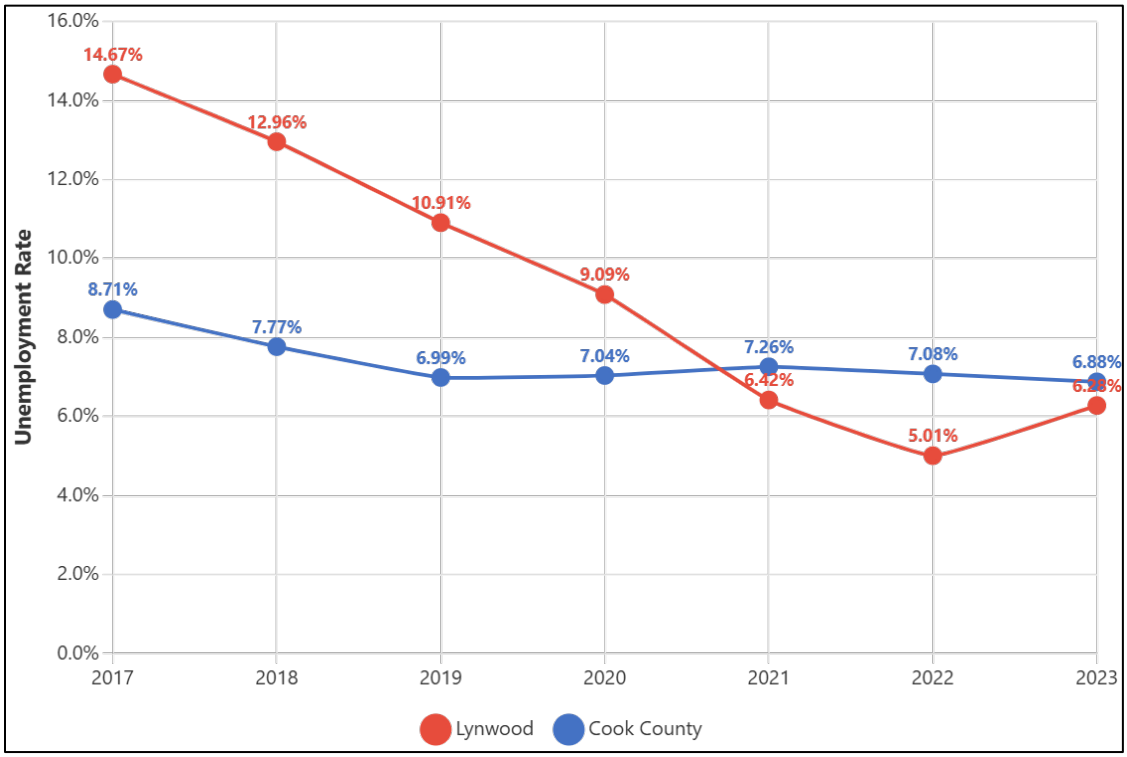


Table 3. Income Distribution Over Time[49]

Income Distribution	Village of Lynwood		Cook County	
	2017	2023	2017	2023
Low income (less than $50,000)	46.4%	35.3%	43.2%	32.2%
Low-middle income ($50,000- $74,999)	15.5%	13.2%	16.5%	14.3%
Middle income ($75,000- $99,999)	12.4%	10.3%	12.0%	12.3%
High-middle income ($100,000- $149,999)	16.6%	20.8%	14.2%	17.1%
High income ($150,000 and higher)	9.1%	20.5%	14.1%	21.1%

Table 4 shows that both Lynwood and Cook County saw slight shifts in housing occupancy patterns between 2017 and 2023, In Lynwood, the total number of housing units increased from 3,693 to 3,664, (-0.79%) units an increase in owner-occupied units from 69.6% to 74.6% and a corresponding rise in renter-occupied units from 14.3% to 17.1%, while the shares of vacant unit declined from 16.1% to 8.3%. Cook County

[48] Figure 5 illustrates the unemployment rates in Cook County and the Village of Lynwood from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS).

[49] Table 3 compares income distribution in Lynwood and Cook County from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS).

experienced similar trends: the total number of units rose from approximately 2,183,987 to 2,270,349 (+3.95%) while owner occupancy increased from 50.9% to 52.8%, renter occupancy decreased marginally from 38.7% to 39.0% and the share of vacant units decreased from 10.4% to 8.2%.

Table 4. Housing Occupancy Over Time[50]

Housing Occupancy	Village of Lynwood		Cook County	
	2017	2023	2017	2023
Owner-occupied	69.6%	74.6%	50.9%	52.8%
Renter-occupied	14.3%	17.1%	38.7%	39.0%
Vacant	16.1 %	8.3%	10.4%	8.2%

Figure 6 illustrates the age distribution of housing stock in the Village of Lynwood as of 2023. The largest share of homes was built in 1959 or earlier, comprising 49.2% of the housing stock. These have a higher likelihood of containing lead service lines. Another 38.7% of the housing stock was constructed between 1960 and 1999, when lead was still commonly used as a component in plumbing systems, often in combination with copper pipes. More recent construction was limited: only 12.1% of homes were built in 2000 or later, during the lead-free plumbing period. These figures highlight an aging housing stock, with relatively little new residential development in recent years.

Figure 7 illustrates the distribution of housing units by structure type in Cook County for the years 2017 and 2023. Over this period, the overall composition of housing types remained relatively stable. Single-family homes continued to account for the largest share, decreasing marginally from 45.6% in 2017 to 45.0% in 2023 (-1.2%). Small multifamily structures (2–4 units) experienced a decline from 20.5% in 2017 to 19.0% in 2023 (-7.4%). In contrast, the share of units in medium or large multifamily buildings (5 or more) increased from 33.2% to 35.0% (+5.4%). The share of unconventional homes (mobile homes, boat, RV, van, etc.) increased from 0.70% to 1.04% (+44.4%), although they continue to represent a very small portion of the housing stock.

Mobile homes represent a significant portion of housing units in Cook County and the Village of Lynwood. Figure 8 illustrates the number of mobile homes in Lynwood and Cook County from 2017 to 2023. In Cook County, there was an 18 % increase in mobile homes from 15,292 in 2017 to 18,048 in 2023. The number of mobile homes has seen a steady increase in Cook County. However, the Village of Lynwood has experienced some

[50] Table 5 compares housing occupancy in Lynwood and Cook County from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS).

fluctuations, with lowest in 2020. While there was a brief increase following the dip in 2020, the number eventually declined by 2.5% compared to the count in 2017.

Figure 6. Lynwood Age of Housing Units Over Time[51]

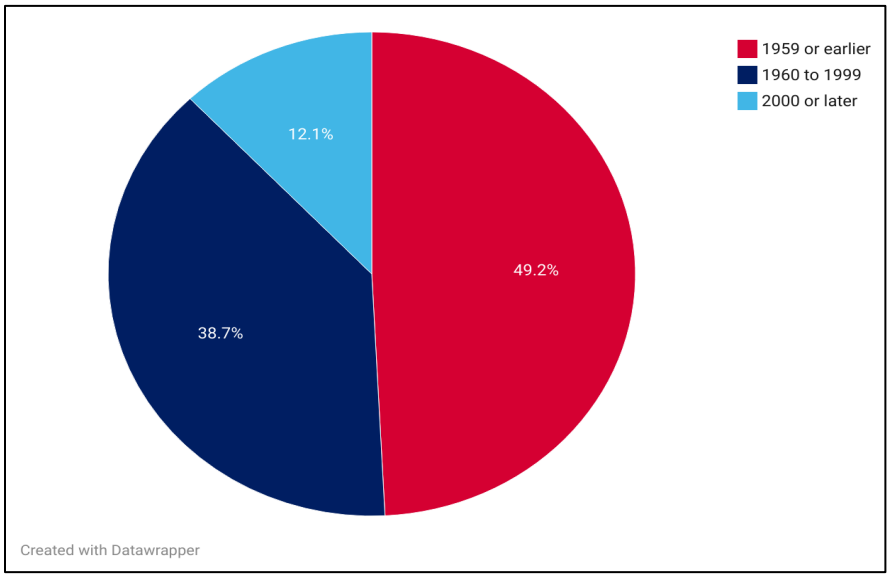
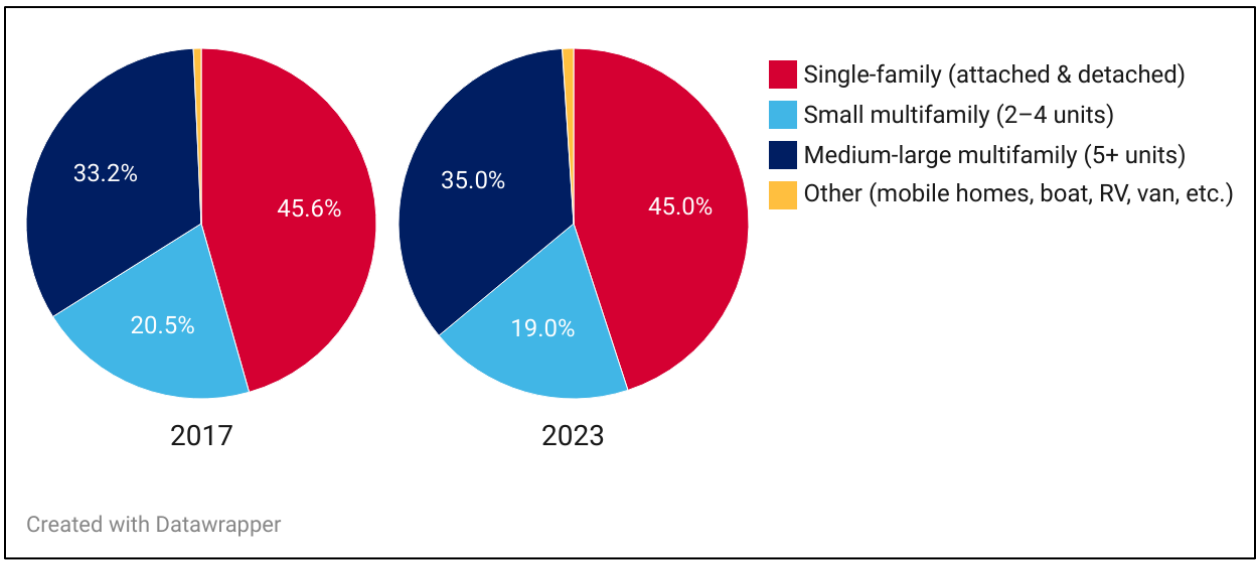


Figure 7. Housing Units by Structure Over Time (Cook County)[52]



[51] Figure 6 compares age of housing stock in Lynwood and Cook County from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS)

[52] Figure 7 illustrates the distribution of housing units by structure type in Cook County for years 2017 and 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS).

Figure 8. Mobile Homes Over Time[53]

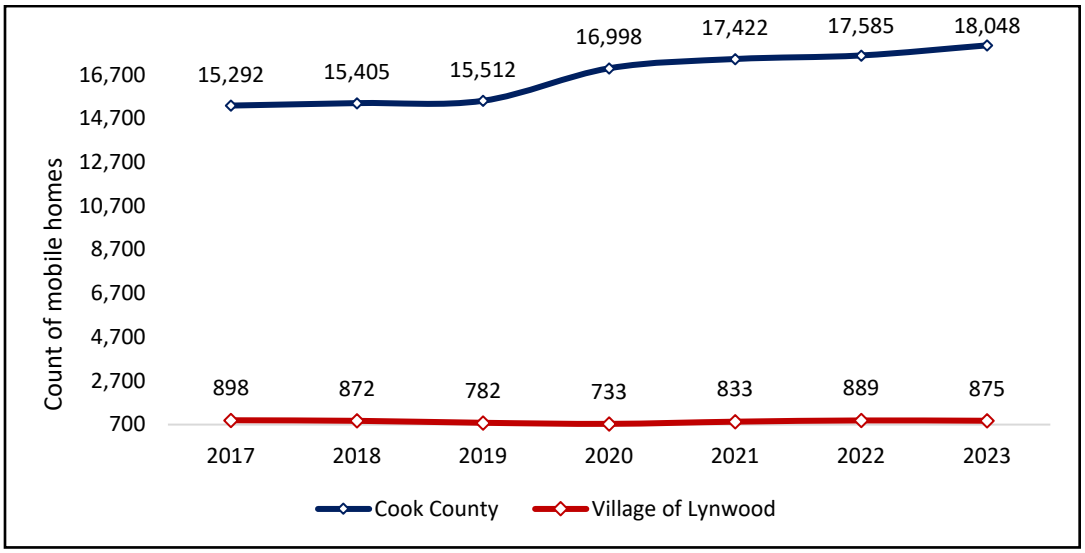


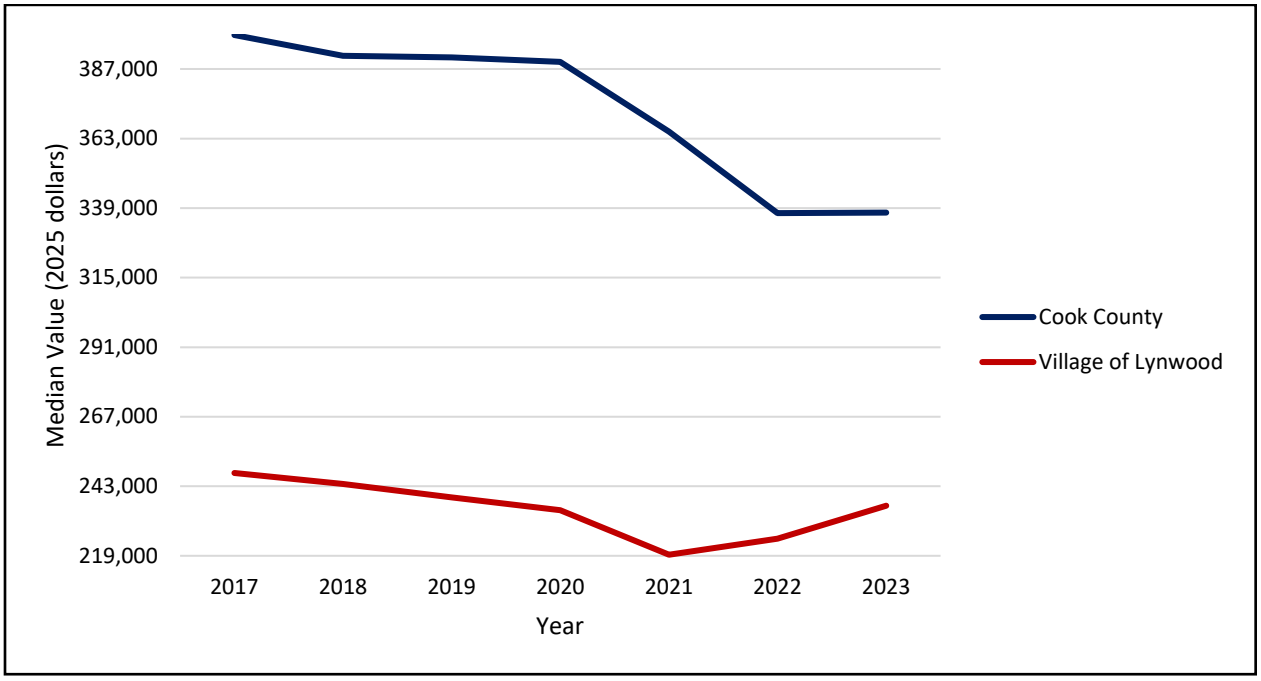
Figure 9 shows Lynwood and Cook County housing values adjusted to 2025 dollars using the National Home Price Index (HPI). After adjusting for inflation and housing market trends, home values in both regions show a general decline in real value from 2017 to 2023. In Lynwood, inflation-adjusted home values fell from $247,578 in 2017 to $236,306 in 2023 (-4.55%), reflecting a modest but steady decrease, with the lowest point reached in 2021 at $219,374. Although there was a partial recovery afterward, values remain below 2017 levels. In contrast, Cook County saw a sharper decline from $398,719 in 2017 to $337,485 in 2023 (-15.3%). This trend highlights a cooling housing market across the region, with Lynwood consistently lagging behind the county average, suggesting slower home value appreciation or weaker market demand over time.

The Federal Poverty Level (FPL) is a measure of income issued annually by the U.S. Department of Health and Human Services (HHS) to determine eligibility for federal assistance programs. The FPL framework classifies households based on their income relative to the poverty threshold. Individuals earning less than 100% of the FPL, including those below 50%, are considered in poverty. Those earning between 100% and 149% of the FPL fall under near poverty, while incomes between 150% and 199% are labeled as low income. Households earning 200% or more of the FPL are categorized as having middle or high income, reflecting a more stable financial position.

[53] Figure 8 illustrates estimated count of mobile units in Cook County and Village of Lynwood for years 2017 and 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the U.S. Census Bureau.

Thresholds vary by household size and are adjusted each year for inflation. In 2025, the FPL for a single individual is $15,650, and $32,150 for a family of four.[54]

Figure 9. Housing Value Over Time[55]



Between 2017 and 2023, Lynwood experienced a rise in extreme poverty, defined as individuals living on less than 50% of the FPL. While the overall population slightly declined from 9,327 to 9,047, the number of residents in extreme poverty rose from 410 to 727, more than a 75% increase.

This shift raised the percentage of extremely poor residents from 4.4% to 8.1%, nearly doubling in just six years. In contrast, the share of those earning between 50% and just under 100% of the FPL decreased from 6.2% to 4.8%, suggesting a deepening concentration of economic hardship among Lynwood's most vulnerable residents.

[54] U.S. Department of Health and Human Services. (2023). *Poverty Guidelines*. Poverty-economic-mobility guidelines

[55] Figure 9 illustrates housing values in Cook County and the Village of Lynwood from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS). All dollar values in this figure are adjusted to 2025 dollars using the S&P CoreLogic Case-Shiller U.S. National Home Price Index.

Figure 10. Lynwood & Cook County Federal Poverty Level (2017-2023)[56]

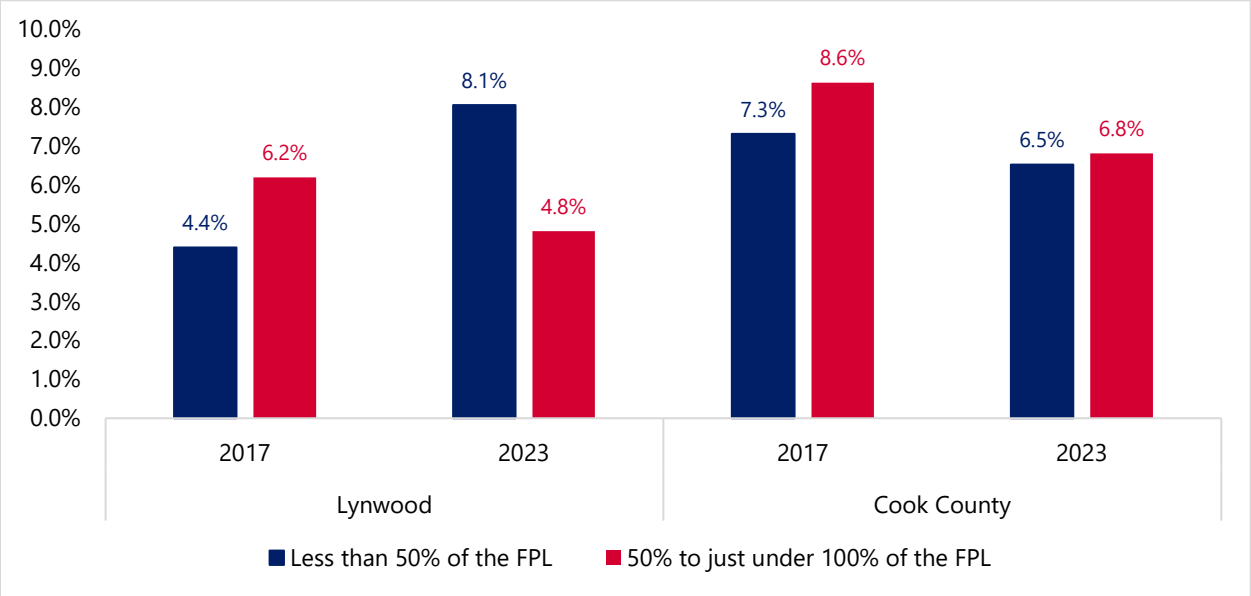


Table 5 highlights changes in poverty levels for Lynwood and Cook County between 2017 and 2023, grouping the population into three income levels based on their income relative to the federal poverty level (FPL): Level 1 represents individuals earning under 100% of the FPL (below the poverty line), Level 2 includes those earning between 100% and 199% of the FPL (near poverty to moderate income), and Level 3 comprises those earning 200% or more of the FPL (above the poverty line).

In Lynwood, the percentage of residents in Level 1 increased from 10.6% in 2017 to 12.9% in 2023, while there was a decrease from 23.3% to 13.1% in level 2 and, increase in Level 3 from 66.1 % to 74%. In Cook County, the trends were more pronounced. Level 1 declined from 15.9% to 13.3%, Level 2 fell from 18.2% to 15.4%, and Level 3 rose substantially from 65.8% to 71.3%. These figures suggest that while poverty has generally eased slightly in Cook County, Lynwood has experienced worsening poverty despite a stable total population.

[56] Figure 10 illustrates the changes in federal poverty in Lynwood and Cook County from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS).

Table 5. Percentage of Population in Relation to Federal Poverty Level[57]

Ratio of Income to Poverty	Village of Lynwood		Cook County	
	2017	2023	2017	2023
Under 100%	10.6%	12.9%	15.9%	13.3%
100% to 199%	23.3%	13.1%	18.2%	15.4%
200% and over	66.1%	74%	65.8%	71.3%

Finally, in this section, we examine industry clusters in the village, specifically location quotients. These are statistical measures used in economic and regional analysis to compare the concentration of a specific industry in a particular area to a larger reference area, here it is Cook County. These industry clusters help identify which sectors are more or less concentrated locally compared to the broader economy. A location quotient (LQ) greater than 1 indicates that the industry is more concentrated in the local area than in the reference region, suggesting a possible specialization or competitive advantage. An LQ less than 1 implies the industry is underrepresented locally.

In Figure 11, the y-axis represents the 2024 LQ while the x-axis presents the percent change in employment from 2017 to 2024. The size of the bubble represents industry employment in 2024. As seen in Figure 11, Lynwood's economy is most highly concentrated in Manufacturing (LQ = 2.67; 1,478 jobs) and Retail Trade (LQ = 2.54; 3,462 jobs), which together account for a substantial share of total local employment.

Manufacturing also grew in specialization between 2017 and 2024 (+8.6%), while Retail declined somewhat (-10.4%) but remains a significant concentration. Accommodations and Food Services (LQ = 1.85; 1,984 jobs) and Other Services (LQ = 1.71; 797 jobs) also stand out as locally concentrated, though both sectors saw decreases over time (-8.3% and -48.1%, respectively).

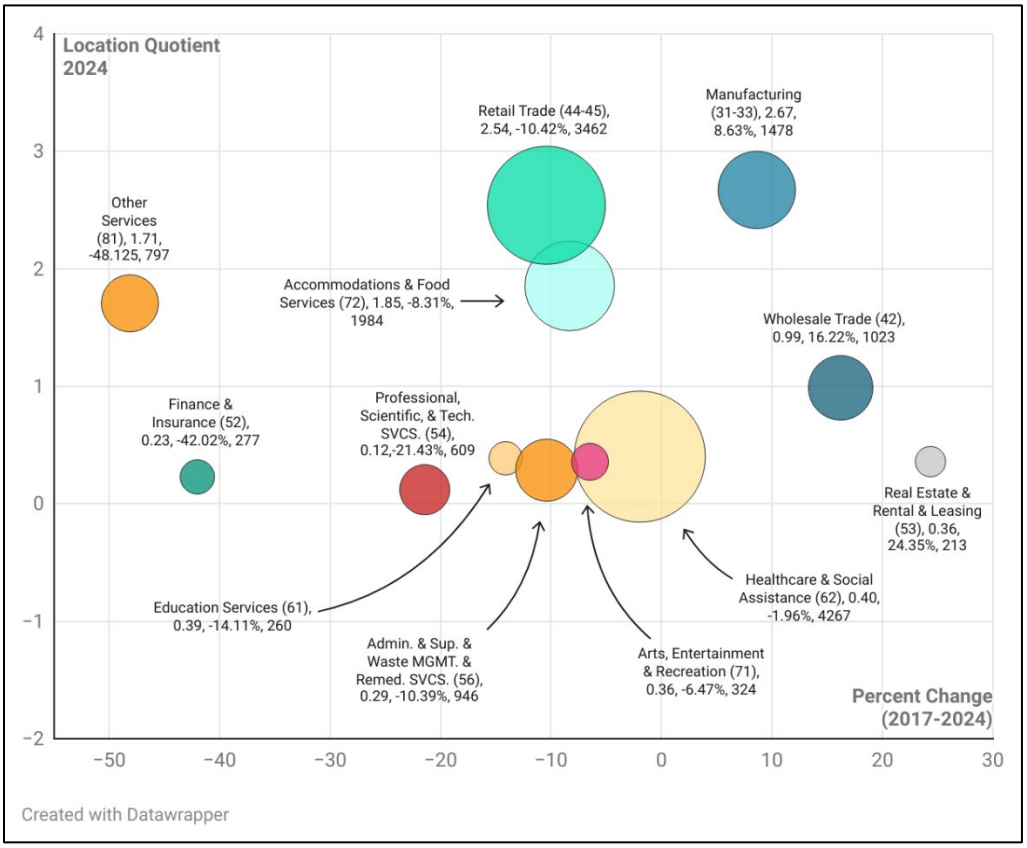
Other industries are less concentrated (LQ < 1), but several experienced notable growth. For example, Wholesale Trade (LQ = 0.99; 1,023 jobs) and Real Estate & Rental and Leasing (LQ = 0.36; 213 jobs) increased by 16.2% and 24.4%, respectively. Healthcare and Social Assistance (LQ = 0.40; 4,267 jobs) remains a large employer but slightly declined in specialization (-2.0%). Conversely, sectors such as Finance & Insurance (LQ = 0.23; 277 jobs; -42.0%) and Education Services (LQ = 0.39; 260 jobs; -14.1%) became

[57] Table 6 illustrates the changes in %age of population in Lynwood and Cook County in relation to federal poverty from 2017 to 2023 using data from the American Community Survey (ACS) 5-year estimates accessed through the National Historical Geographic Information System (NHGIS).

much less concentrated. Professional, Scientific, and Technical Services (LQ = 0.12; 609 jobs) also declined sharply (-21.4%).

In sum, Lynwood's industrial profile continues to be anchored by Manufacturing and Retail Trade, with supporting employment in Accommodation & Food Services and Healthcare. However, the data also indicate ongoing structural shifts, with some traditional service industries contracting while real estate and wholesale activities are becoming relatively more significant.

Figure 11. Lynwood Industry Location Quotient Change, 2017–2024



3. Municipal Water System

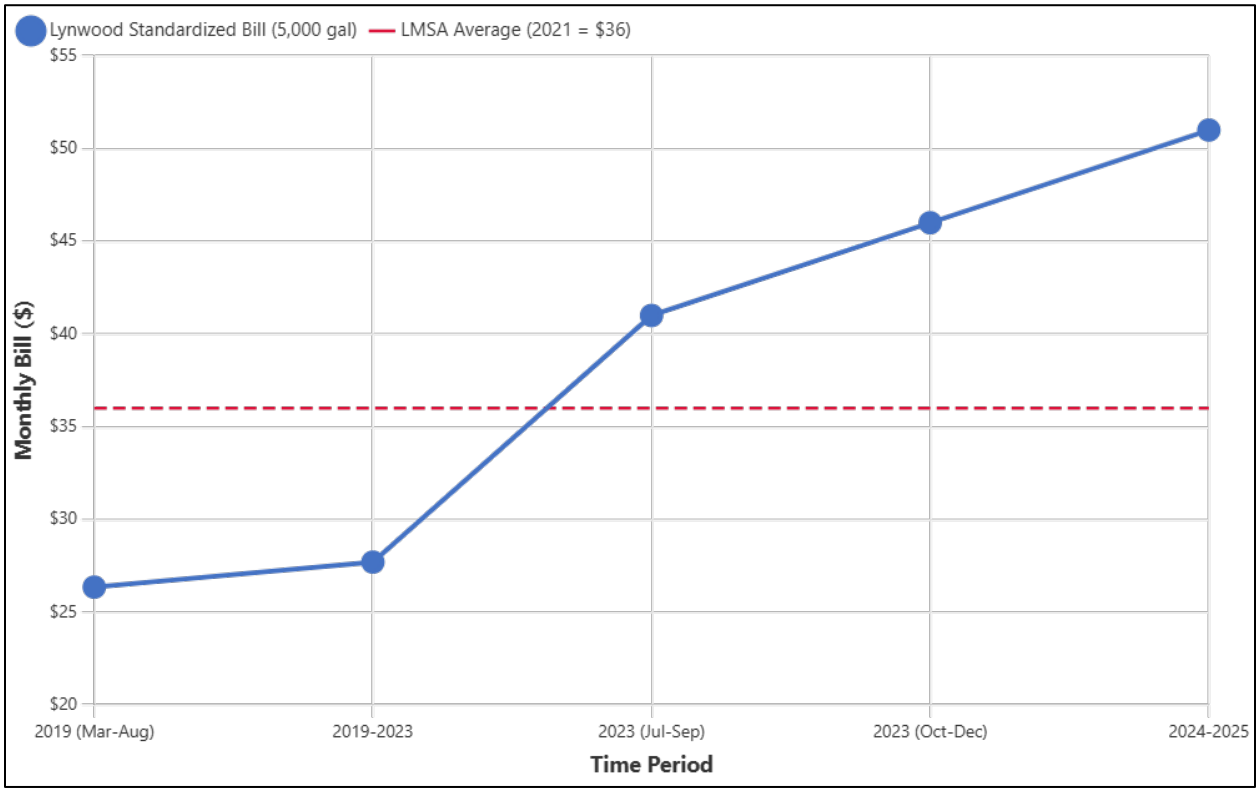
The Village of Lynwood's Water Department, operating under Public Works, supplies drinking water to residents and businesses through Lake Michigan water purchased from the Hammond Water Works Department and resold via the Village of Lansing. This arrangement places Lynwood in a unique position where they have limited control over wholesale water costs but must manage local distribution and billing while setting rates that balance affordability with operational sustainability. Lynwood issues consolidated monthly utility bills that include water, sewer, stormwater, garbage, and recycling. All customers are required to have a Village-purchased water meter.

Lynwood maintains a uniform rate structure for all residents, with differential pricing only applied to non-resident customers or special circumstances, such as businesses in neighboring communities accessing water through intergovernmental agreements. The Village of Lynwood has briefly experimented with bi-monthly billing to reduce administrative costs, but this approach was abandoned due to budgeting difficulties experienced by fixed-income residents who struggled with larger, less frequent bills.

Lynwood's water rates have experienced sharp increases in recent years. From 2019 through mid-2023, rates remained relatively stable, $5.27 to $5.54 per 1,000 gallons, placing Lynwood below the Lake Michigan Service Area (LMSA) average. For example, in 2021, Lynwood's standardized monthly bill for 5,000 gallons was $27.70, compared to the LMSA average of $36.00.

However, beginning in July 2023, rates rose steeply, reaching $8.20, then $9.20 later that year, and climbing to $10.20 in 2024–2025. At this rate, Lynwood residents now pay about $51.00 per month for 5,000 gallons which is significantly above the LMSA average. This rapid escalation has shifted Lynwood from a historically low-cost provider to one of the higher-priced communities in the region. Figure 12 below illustrates the change in Lynwood's standardized monthly bill compared to the LMSA benchmark of $36. While Lynwood trailed well below the regional average prior to 2023, its rates now exceed that average by more than $15 per month, underscoring the potential for a growing financial burden for residents.

Figure 12. Lynwood Rates versus LMSA Over Time



While Lynwood's water-related ordinances do not explicitly mention local financial assistance programs or payment plans, residents may be eligible for broader state and regional assistance. Programs like the Low-Income Household Water Assistance Program (LIHWAP) provide financial aid to families facing water disconnection or with arrearages of $250 or more.[58] Residents can also seek help from programs such as the Low-Income Home Energy Assistance Program (LIHEAP)[59], and ComEd's Supplemental Arrearage Reduction Program (SARP), Your Neighbor Fund, Deferred Payment Arrangements, and Flexible Payment Options.[60] Additionally, Community Action Agencies throughout Illinois offer support services including rental, utility, and energy bill assistance.[61]

[58] State of Illinois. (2021, December 7).Gov. Pritzker Announces $42 Million Water Assistance Program for Low-Income Households. https://www.illinois.gov/news/press-release.24231.html
[59] Illinois Department of Commerce & Economic Opportunity. (n.d.). *Utility Bill Assistance.* https://dceo.illinois.gov/communityservices/utilitybillassistance.html
[60] ComEd. (2023, March 29). *ComEd Reminds Customers of Options to Help Pay and Lower Cost of Electric Bills.* Village of Lansing. https://cms2.revize.com/revize/lansingil/2023-03-29%20%20Financial%20Assistance%20Release%20(final2).pdf
[61] Illinois Department of Commerce & Economic Opportunity. (n.d.). *Community Action Agencies/Local Administering Agencies.* https://dceo.illinois.gov/communityservices/homeweatherization/communityactionagencies.html

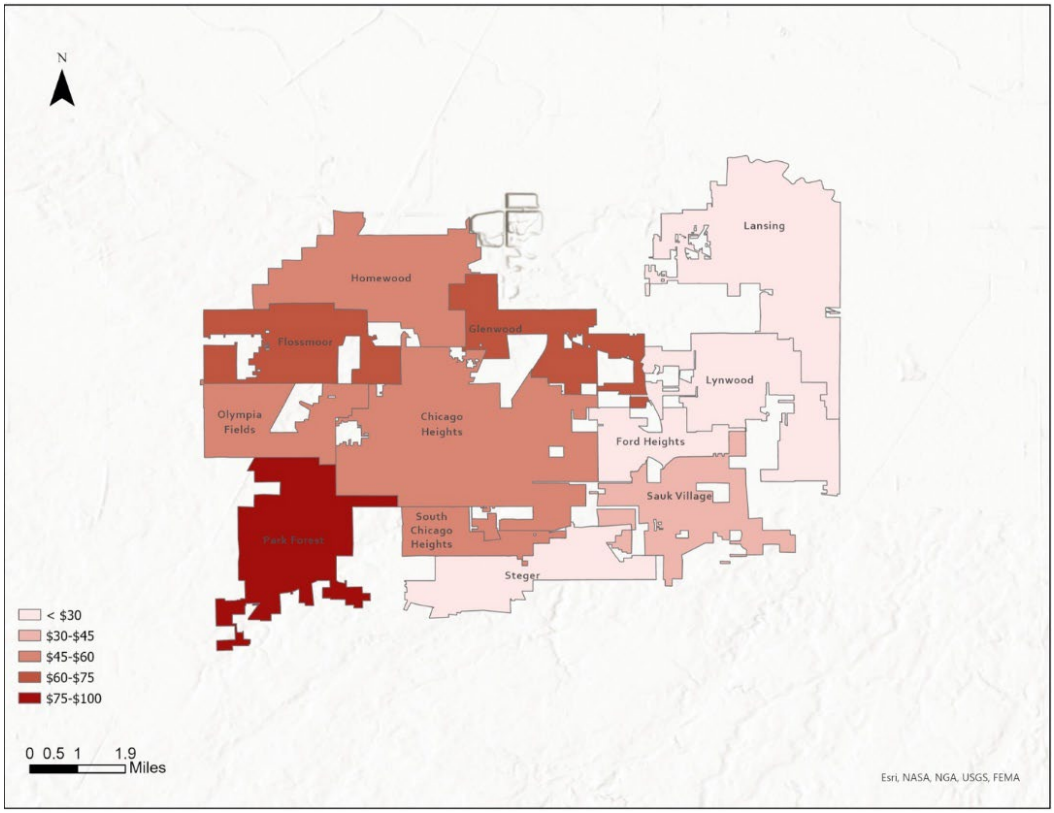
While these broader programs offer essential support, residents of Lynwood may also benefit from more localized resources. One such option is the Bloom Township Utility Assistance Program, which provides targeted aid to eligible households within the township's jurisdiction, including the Village of Lynwood. Bloom Township, situated in the southeastern region of Cook County, was established as one of the county's 25 original civil townships on November 6, 1849.[62] The Village of Lynwood joined Bloom Township in 1959, becoming the most recent municipality to be incorporated, bringing the total to all or parts of twelve communities within the township.[63] Bloom Township's General Assistance Utility Assistance Program helps residents manage increasing home energy costs by offering direct financial aid, energy counseling, and outreach services. Assistance is available for expenses related to gas, electricity, or water bills and is determined by factors such as income, household size, residency, and bill amount. Payments are made directly to the utility providers.[64]

To qualify for Utility Assistance in Bloom Township, applicants must provide several documents: a valid state or federal ID with a matching address, Social Security cards for all household members, proof of household income from the past 30 days, a lease or mortgage statement, and a current utility bill (under $500 and less than 30 days old) from providers such as ComEd, Nicor Gas, or a local water authority. Assistance programs are available on a sessional basis and operate until funding is depleted. Residents may only apply once every 18 months, and those who qualify are encouraged to explore additional programs like the Low-Income Home Energy Assistance Program (LIHEAP) or other utility share initiatives.[65]

The Village of Lynwood is a part of Bloom Township, which is located in the southeastern region of Cook County. The majority of the municipalities in Bloom Township use a two-part structure for water rates. Lynwood is the only municipality within the township that uses volumetric rate alone. As shown in Figure 13, the average monthly standardized bill for Bloom Township is about $47, and the median is about $46. The lowest bill is offered by Steger at $16 while the highest is offered by Park Forest at $93.

[62] Bloom Township. (n.d.). *History*. Bloom Township, Cook County, Illinois. History Bloom Township
[63] Ibid
[64] Bloom Township. (n.d.). *Utility assistance*. Bloom Township, Cook County, Illinois. Assistance Program
[65] Ibid

Figure 13. Bloom Township Municipalities Standardized Water Bill[66]



To have water service turned on in the Village of Lynwood, an applicant must submit a written application to the village clerk, agreeing to follow all relevant ordinances. If a property's water service is disconnected for nonpayment, the customer will be treated as a new customer when reinstating service and must submit a new application and a $100 security deposit to restore service. New and existing customers with two returned checks in the past 12 months, or who have experienced a water shut off or disconnection, must post a $100 deposit before water service resumes.

If an account becomes delinquent for more than 60 days after a deposit has been made, the village clerk may use the deposit to cover the outstanding balance and will notify the customer of the amount deducted and the remaining balance. If the deposit is fully depleted, the customer must restore it to $100 within 30 days of receiving notice, or the

[66] Figure 13 illustrates the standardized water bills across the municipalities in Bloom Township using the FY2021 Northeastern Illinois Water and Sewer Utility Rate Data from Chicago Metropolitan Agency for Planning (CMAP).

village may terminate or shut off water service. For multifamily dwellings (duplexes, condominiums, and apartments), the tap fee is charged at the single-family rate multiplied by the number of units in the building. Each multifamily building must have its own water connection, meter assembly, and buffalo box. If individual duplex or condo units are billed separately, they must each have their own water connection, meter assembly, and buffalo box.

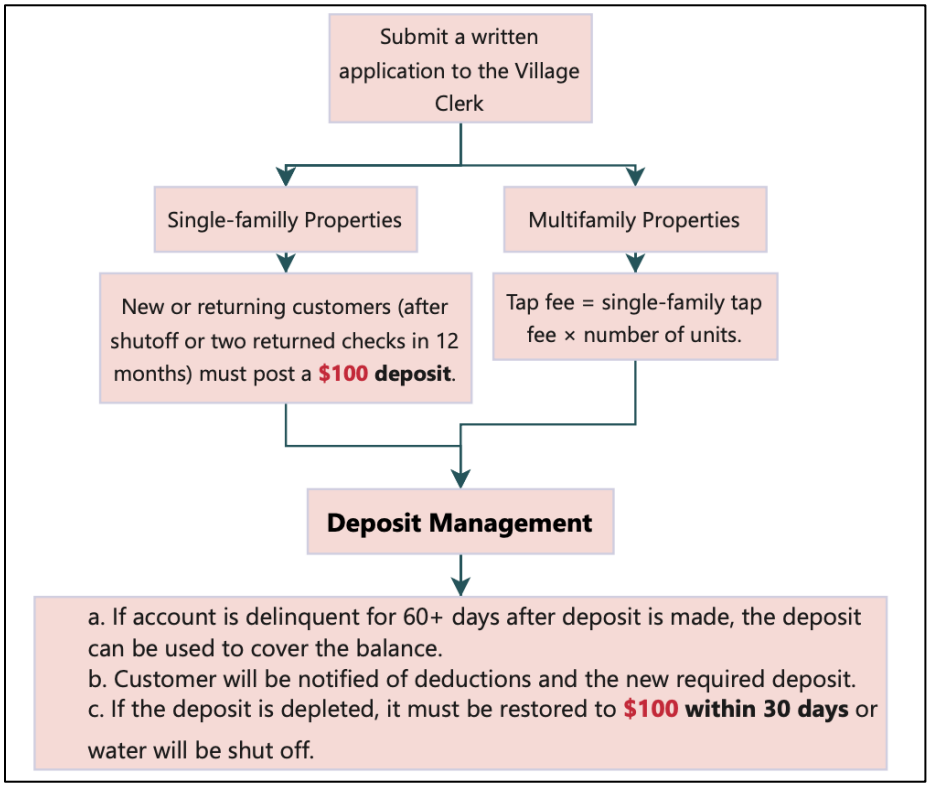
Every property must have an approved water meter purchased by the village and installed at the owner's expense. The water department tests all meters to ensure they meet established standards, and typically, only one meter is installed per service. If a meter isn't available immediately, water service can be provided temporarily at a flat rate until the meter is installed. A water meter must be in place before a property is occupied, or water service will not be provided.

Monthly charges for water and sewer services are calculated based on water consumption recorded by the meters and the rates set by the board of trustees. For multiple users, the minimum charge is calculated by multiplying the number of units served by the established minimum rate. The water allowance is determined by multiplying the number of units by the allowed gallons for that minimum charge bracket. If consumption exceeds this allowance, the extra water is billed at the rate for that specific usage bracket, regardless of how many units are served. For construction, all water used is metered, and a flat minimum fee is applied as prescribed by the president and board of trustees. Figure 14 provides a step-by-step depiction of Lynwood's water initiation process.

In the Village of Lynwood, water service charges are billed monthly. Bills are issued on the first day of the month following the service period, with payment due by the 15th of the same month. If payment is not received in full by the due date, penalties are assessed and unpaid balances that remain after fifteen days are deemed delinquent and automatically become a lien against the property. In addition, service may be disconnected if a bill remains unpaid for ten days after proper notice has been provided.

Reconnection is only permitted once all outstanding charges, including penalties, have been paid in full along with a reconnection fee established by the board of trustees and any required deposit. To enforce collections, the village issues a ten-day written warning, which includes a $5 administrative fee, followed by a 24-hour shut-off notice if necessary, which carries a $10 administrative fee. These fees are designed to offset the costs of supplies, staff time, and postage.

Figure 14. Lynwood Water Service Initiation Process[67]

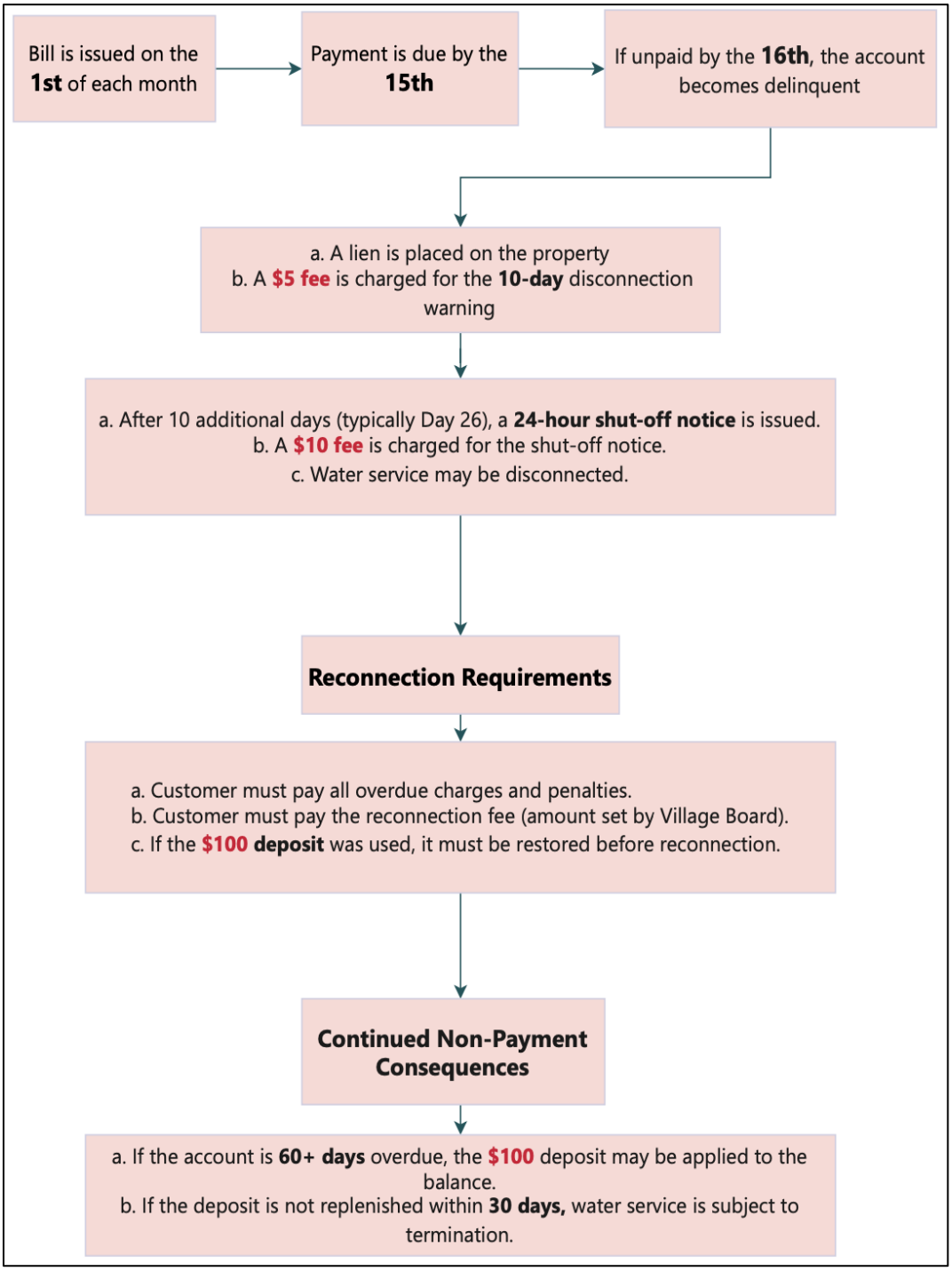


The village also enforces responsibilities for water system maintenance. Property owners are required to repair leaks in the service line between the shut-off box and the meter at their own expense. If a leak is not addressed within five days of notification, water service may be terminated until repairs are completed. For severe leaks, the village may immediately shut off service to prevent loss or damage. Responsibility for the service pipe is divided: the village maintains the line from the water main to the curb shut-off, while property owners must maintain the line from the curb to the building and any associated equipment.

Figure 15 illustrates the process Lynwood follows for penalizing late water bill payments, from initial delinquency to service restoration.

[67] Figure 14 illustrates the process Lynwood follows for water service initiation using information from https://library.municode.com/il/lynwood/codes/code_of_ordinances

Figure 15. Lynwood Penalties for Late Payment[68]



[68] Figure 15 illustrates the process Lynwood follows for water service initiation using information from https://library.municode.com/il/lynwood/codes/code_of_ordinances

4. Quantitative Analysis: Water Usage & Billing

4.1 Data and Method Overview

The quantitative analysis in this report draws upon water account data provided by the Village of Lynwood for the year 2025. The primary source was the Water Account Registry, a comprehensive file containing 5,447 active accounts linked to registered addresses across the village. To capture consumption trends, this registry was supplemented with Water Usage Records, which document aggregate water usage from 2023 through May 2025. In addition, property-level characteristics were obtained through the Lynwood Assessor Dataset, which allowed buildings tied to water accounts to be categorized by type.

Within the village, this analysis identified 687 residential condominium units, 4,033 single- and multi-family units, and 522 mobile and manufactured homes, alongside a small number of accounts associated with other property types. The analysis also incorporated data from the Census Bureau at the tract level, offering demographic and socio-economic context for Lynwood households and properties. These census variables were used to situate water usage and account patterns within broader community characteristics. All datasets were integrated, cleaned, and analyzed using Python and Microsoft Excel to generate the findings reported here.

The water affordability analysis for the Village of Lynwood was conducted using the aggregate water usage data of the whole community for the period spanning 2023 through May 2025. For the remaining months of 2025, usage estimates were based on the average monthly consumption observed in 2023 and 2024. While this approach provides a reasonable projection, it also introduces several limitations. Relying on average monthly usage assumes stability in consumption patterns, but actual water use may vary in response to seasonal shifts, economic conditions, policy changes, or extraordinary events such as droughts, revised rate schedules, or conservation initiatives.

The analysis drew upon 5,447 active water accounts registered in the Village of Lynwood. By merging account-level data with the assessor's property valuation dataset, we were able to classify properties by type. This revealed that only 687 properties, or 12.61%, are commercial buildings, while 522 properties, or 9.58%, are mobile or manufactured homes. The largest share of accounts is residential in nature, a distribution that skews the affordability evaluation toward household, rather than commercial of industrial, consumption patterns.

Affordability estimates were paired with income data from census tracts to assess the burden of water costs relative to household earnings across the Village of Lynwood. The water bill burden varies depending on whether estimates use mean tract income, median income, or an alternative threshold. To present a comprehensive perspective, all three approaches were applied and compared. However, the datasets available to the Government Finance Research Center did not permit direct alignment of water accounts, household information, and usage data at the individual household level. To mitigate these constraints, results were aggregated and analyzed at the census tract level.

4.2 Water Affordability

Water affordability research investigates the cost of water at one specific rate with a quantity of usage as needed in daily life, considering the available monetary resources for that. Thus, calculating the quantity of water usage for the water bill is important to represent the basic water demand of local household. In 2024, the US EPA assumed 50 gallons water was consumed per person per day.[69] In the Village of Lynwood, the water rate and changes over time are shown in Table 6.

Table 6. Water Rate Change Over Time[70]

Period	Water Rate (per 1000 gallon)
3/25/2019 – 8/1/2019	$5.27
9/1/2019 – 6/1/2023	$5.54
7/1/2023 – 9/30/2023	$8.20
10/1/2023 – 12/31/2023	$9.20
1/1/2024 – Present	$10.20

To investigate water affordability, the water bill burden is a common metric. Water bill burden is composed of the percentage of water billing cost occupied in the total income for a household. As a common metric of the water affordability in the industry, the water bill burden shows the ability for the householders to balance between water demand and other spending priorities.

[69] United States Environmental Protection Agency. *Water Affordability Needs Assessment (2024)*. Source from: https://www.epa.gov/waterfinancecenter/water-affordability-needs-assessment

[70] Table 6 illustrates the standardized water rate history in the Lynwood. Data source from City of Lynwood.

Figure 16. Lynwood Water Usage 2023-2025

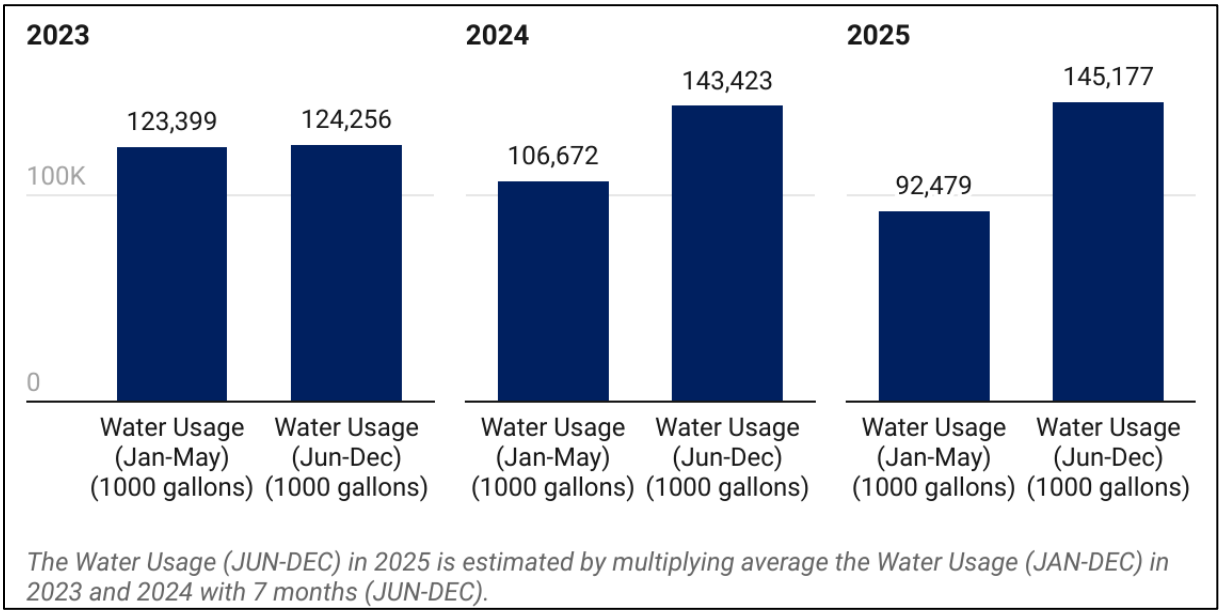


Figure 16 highlights the water usage recorded for Lynwood in 2023-2025, by grouping them into two categories based on the data availability, the water usage from January to May and water usage from June to December.

The Lynwood Annual Usage Report shows the water usage from January to May is 123,399 million gallons in 2023, 106,672 million gallons in 2024, and 92,479 million gallons in 2025. While the water usage in June to December is 124,256 million gallons in 2023 and 143,423 million gallons in 2024.

With the available water usage data for first five month in 2025, the water usage quantity from June to December is estimated by multiplying the average monthly water usage in 2023 and 2024, counted as 20,740 million gallons per month. Historically, the total water usage is 247, 655 million gallons in 2023, and 250, 095 million gallons in 2024.

Predictably, the total water usage is assumed to be 145,177 million gallons from June to December, and 237,656 million gallons for the whole year in 2025. As estimation suggests, the annual water usage quantity in 2025 may decrease by 4.97% from usage in 2024.

Figure 17. Lynwood Daily Water Usage 2023-2025

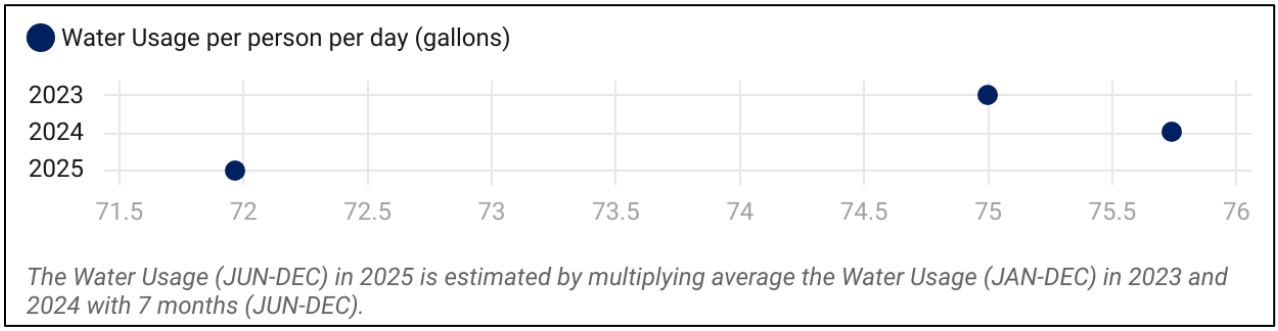


Figure 17 illustrates changes in Lynwood's daily per capita water usage. As noted in the report's introduction, Lynwood had a recorded population of 9,047 residents in 2023. Daily per capita usage was calculated by dividing total annual water consumption by 365 days and the number of residents. Our results show that average daily per capita water usage decreased from 75 gallons in 2023 to 71.97 gallons in 2025. Compared with the U.S. average daily per capita usage estimated by the EPA for 2024, Lynwood's figures indicate a higher demand for water resources than in many other parts of the country.

Figure 18. Lynwood Annual Water Bill 2023-2025

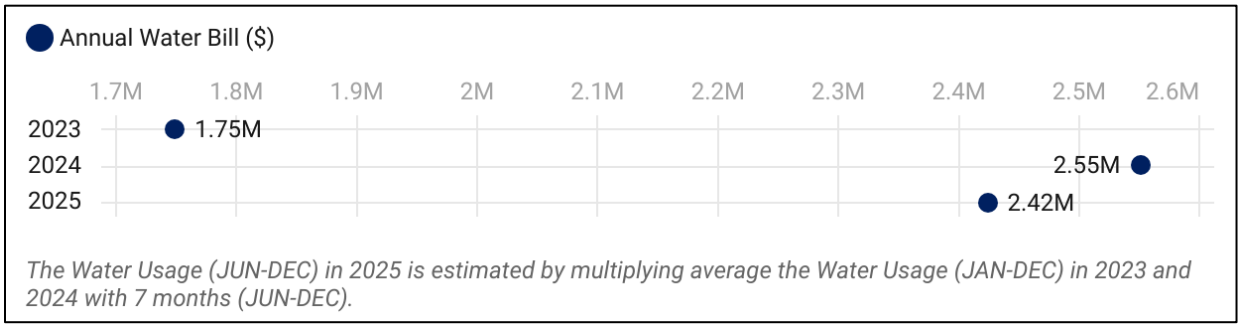


Figure 18 presents the estimated total annual water bills for 2023, 2024, and 2025. As noted earlier, three different water rates, ranging from $5.54 per 1,000 gallons to $9.20 per 1,000 gallons, were applied to calculate the 2023 total. For both 2024 and 2025, a standard rate of $10.20 per 1,000 gallons was used.

Our results show that the total annual water bill in 2024 for all the registered accounts in the Village of Lynwood was $2,550,969, representing a 45.84% increase compared to 2023. For 2025, the total is estimated at $2,424,092.05, reflecting a projected 4.97% decrease from 2024.

Water affordability in Lynwood was assessed by GFRC researchers through an estimation of annual water usage and annual water bills for 2025. The capacity of residents to pay these bills, defined as the water bill burden, was calculated at the census tract level. The analysis included 5,447 active water accounts in 2025, though 247 lacked census tract identifiers. Among accounts with valid tract information:

- Tract 828503: 175 accounts (3%)
- Tract 828508: 2,431 accounts (47%)
- Tract 828507: 1,799 accounts (35%)
- Tract 828505: 794 accounts (15%)
- Tract 828702: 1 account (<1%)
- Tracts 828504 and 829700: 0 accounts

To evaluate affordability, tract-level statistics were calculated, including mean and median household income and the number of households in each tract. These figures were merged with American Community Survey (ACS) income data, specifically, the mean household income of quintiles, the median household income, and the upper income limit of the lowest quintile, and then adjusted to 2025 dollars. Three burden metrics were computed to capture different perspectives on water affordability:

Burden on mean-income households:

$$\frac{Annual\ Water\ Bill\ (all\ tracts)}{\sum_{i=1}^{n} \quad (Mean\ Household\ Income_i \times Number\ of\ Households_i)}$$

Burden on median-income households:

$$\frac{Annual\ Water\ Bill\ (all\ tracts)}{\sum_{i=1}^{n} \quad (Median\ Household\ Income_i \times Number\ of\ Households_i)}$$

Burden on 20th-%ile households:

$$\frac{Annual\ Water\ Bill\ (all\ tracts)}{\sum_{i=1}^{n} \quad (Upper\ Income\ Limit\ Of\ Lowest\ Quintile_i \times Number\ of\ Households_i)}$$

To contextualize the economic burden of water costs in the Lynwood community, we estimated the number of work hours required, at different minimum wage levels in 2025, to cover the monthly water bill by census tract. In 2025, the federal minimum wage remained at $7.25 per hour.[71] Based on this rate, the estimated work hours per

[71] U.S. Department of Labor. (n.d.). *Minimum wage.* https://www.dol.gov/agencies/whd/minimum-wage

resident to pay monthly water bills were: 2.22 hours in 2023, 3.24 hours in 2024, and 2.88 hours in 2025.

Because household-level income data were unavailable, we used American Community Survey (ACS) income quintile data at the census tract level to estimate water bill burdens in Lynwood. This method provides proportional income estimates on a geographic scale, enabling burden calculations for mean income and median income within each census tract. Figure 19 presents income estimates by census tract for mean and median income. Average tract-level incomes were calculated by averaging the relevant quintile measures, while the overall community income was derived by weighting tract-level incomes according to the number of accounts in each tract.

Figure 20 presents the estimated water bill burdens in Lynwood based on contextual mean income, median income, and lowest 20th percentile household income. In all cases, the burden remains below 2.5%, indicating that water costs place a relatively low economic pressure on most residents, despite an estimated average per capita daily consumption of 71.97 gallons.

Figure 19. Annual Household Income by Census Tract

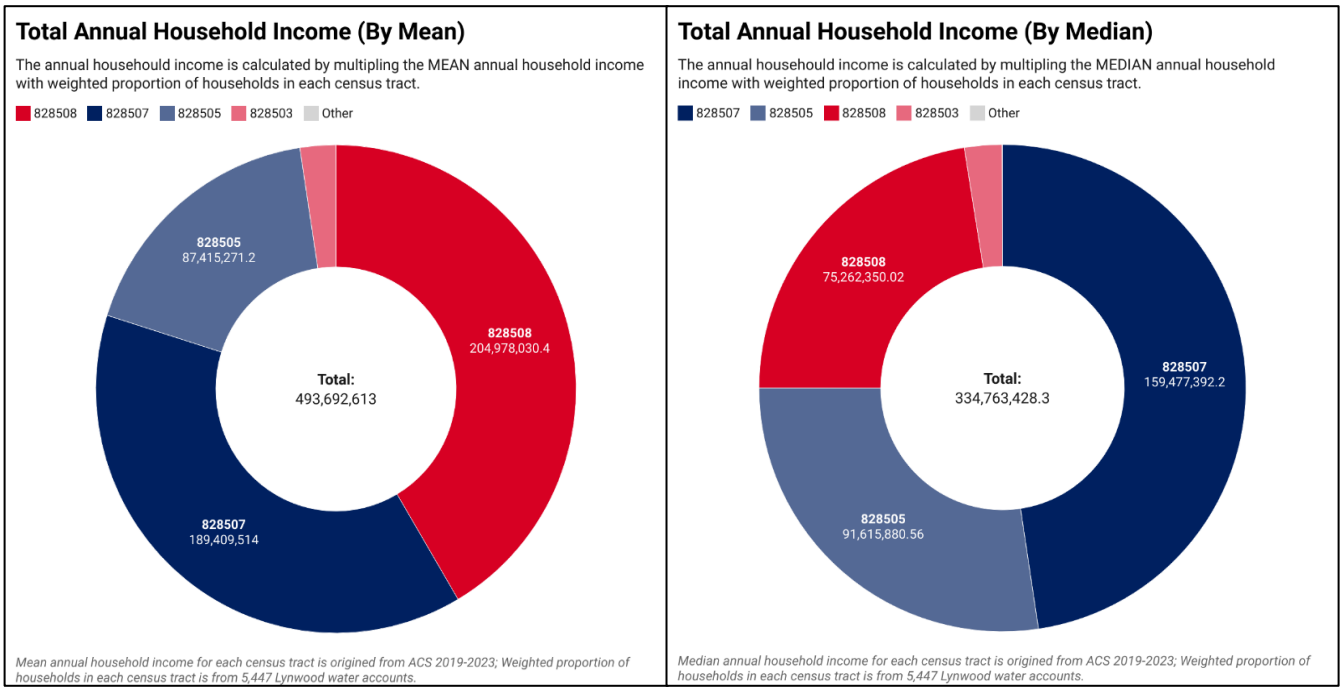
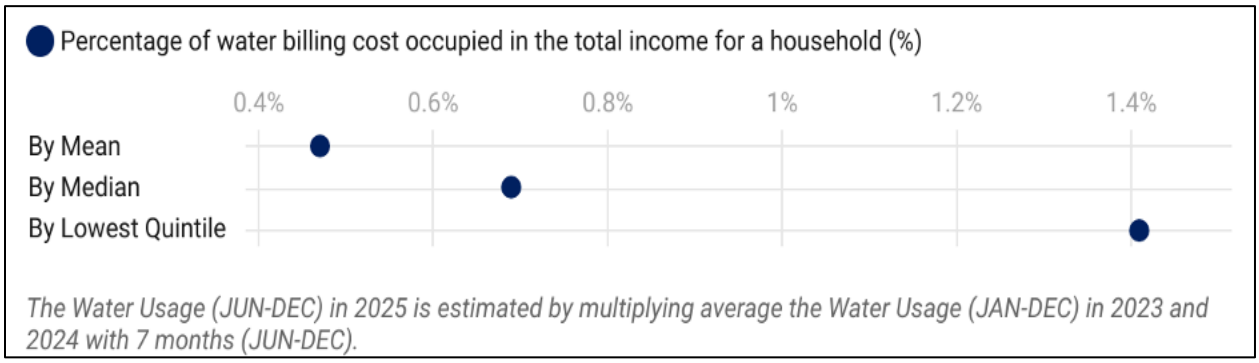


Figure 20. Water Bill Burden Percentage 2023-2025



5. Qualitative Analysis: Interviews with Municipal Staff

The GFRC researchers recruited municipal representatives for in-depth interviews. The goal of these interviews was to understand how water affordability challenges manifest at the municipal level and how the Village of Lynwood is responding to these while balancing the financial and operational requirements for delivering water services. Drawing from the interviews, we summarize key takeaways around the Village of Lynwood's context, demographics, and capacity and financial limitations.

5.1 Municipal Context for Rate Setting

The Village of Lynwood operates as a water purchasing municipality, acquiring Lake Michigan water from the City of Lansing, which in turn receives water through a connection from Indiana. This arrangement places Lynwood in a unique position where they have limited control over wholesale water costs but must manage local distribution and billing while setting rates that balance affordability with operational sustainability. As the village staff explained,

> *"We purchase our water from Lansing and then Lansing is getting it from a connection through Indiana…We don't get to have an opportunity to have input on what Lansing chooses to charge us and anyone else that they're providing water with. I would assume that they would go through a very similar process in terms of evaluating how it's going to impact them."*

Lynwood maintains a uniform rate structure for all residents, with differential pricing only applied to non-resident customers or special circumstances. As the staff noted,

"Our residents all pay the same rate. There's not a distinction. The only time you would see a different water rate is in a unique circumstance where someone outside of the village or there's some sort of project that's going on where a demand for water is going to look different and the person that's demanding it is not a resident."

The village is currently implementing its first intergovernmental agreement to provide water to a business in a neighboring community, representing a new revenue opportunity. A staff member explained,

"This business that's opening in a neighboring community... the closest water connection was through us. So we entered into an intergovernmental agreement with the other municipality where we agreed to provide water to this particular business and then we would bill them at a different rate."

5.2 Demographic Challenges and Affordability

A central theme throughout the interviews was Lynwood's significant senior population living on fixed incomes. The staff emphasized that,

"Lynwood is a community with a high population of seniors who are on fixed incomes…When we have to increase our rates, that puts a greater strain on them... I think affordability is always going to be a challenge because the cost of everything continues to increase and so now it's not just like the price of eggs only went up, the price of everything is up. So how do you balance that within your household? But it is particularly challenging for our senior community."

Despite population growth from new developments, the village staff also noted that,

"Our greatest population is still seniors, even in our larger homes. But in these newer subdivisions, we are seeing younger families with school-aged children that are starting to move in or people who are just on the cusp of retirement a few years away."

The village briefly experimented with bi-monthly billing to reduce administrative costs, but this approach was abandoned specifically due to budgeting difficulties experienced by seniors and other fixed-income residents who struggled with larger, less frequent bills.

Municipal staff identified clear seasonal patterns in payment difficulties, with increased delinquencies occurring from November through March or April. The village staff explained this pattern by sharing,

"We always see it in the winter for probably two reasons. One, people are focused on the holidays and they're funneling money towards the holidays. But also as with all utilities, most people know that we reach a point where your service will not be disconnected because of the weather. And so, then that's where we see a cycle."

The village maintains an active partnership with Bloom Township, which provides utility assistance to qualifying residents. The village staff described this relationship by saying,

"The township does a really nice job of outreach and so they try to stay in direct communication with all of the residents that are included in the municipalities that make up long township. They also maintain very healthy relationships with us, so we're always abreast of what resources we can refer our residents out to."

The partnership has proven beneficial for both residents and the municipality, with one benefit described as,

"Assistance with their utilities and they've been great partners to us as long as funds are available and we've been able to refer residents in need and they've been able to prove that there's a need, then they have been extremely supportive. And it's beneficial, right? It's helping the residents, but it's also ensuring that we get payment."

However, participation in assistance programs remains limited despite active promotion. The village staff noted that participation has increased somewhat under the current administration by sharing,

"It's a rise but it's not significant. I think the rise is because we have (specific staff) on our team who has established a nice relationship with Bloom Township and so now we have a direct line of communication so we're able to better inform about these types of resources and so we push them more."

Despite these efforts, many residents eligible for assistance fail to apply. The village staff identified multiple barriers by sharing,

"Some residents believe that they won't qualify for the program, some don't want to be seen as a charity case. Some just refuse to go out and apply. We see it more often than not for the amount of late water bills that we have, knowing that we have resources available and we're always pushing those resources, you would think that we would see our numbers shrinking, but that is not the case."

The village also faces significant challenges in community engagement around water affordability issues. Despite various outreach efforts including bill inserts, annual town meetings, and social media communications, resident participation remains low. Annual meetings typically attract only 30 attendees from a population of approximately 9,000 residents. Staff suggested that more effective engagement might require hosting meetings at community venues like libraries or restaurants, providing incentives such as refreshments, and using targeted messaging around water affordability concerns.

5.3 Municipal Finance and Operational Challenges

A meaningful finding from the interviews was the *substantial debt inherited from the previous administration, particularly obligations to the water* supplier. This legacy debt creates ongoing financial pressure that directly impacts the municipality's ability to maintain affordable rates while meeting operational requirements.

Current leadership expressed frustration with the financial burden of unpaid bills. The staff explained:

> *"What sometimes happens is that you can share with the resident that there's a resource that's available, but it's up to them to go and apply. If they don't apply, they still owe, right? But if we are able to produce a packet of bills that are a year behind, so many months behind, or they have reached a certain dollar amount... we are now having to take from somewhere else to pay for what hasn't been given to us. And that's a challenge."*

The staff also highlighted the particular difficulties facing suburban, yet also partially rural communities, by sharing,

> *"For communities like Lynwood, we are still fairly rural and lower economic. We've not experienced an economic development boom, which means that we've not experienced the revenue increase that other municipalities have experienced. And so for us, when residents don't pay, our provider still wants their payment because the water has been utilized."*

Lynwood faces also significant infrastructure challenges that directly impact affordability. The staff detailed specific concerns by saying,

> *"We have two water towers. They're very old, they need some work done on them. We just experienced a major break in one of the water towers and so having to fix that was a 48 hour process for us. We also definitely are experiencing an uptick in water main breaks, which is always a challenge as well."*

These infrastructure needs occur alongside notable population growth. The village staff explained,

> "*We are a community that is growing and the last census, we were one of two suburbs in the Southland to actually experience growth and I attribute that to three very active subdivisions that are still building homes.*"

This population growth creates both opportunities and challenges for water service planning. One staff member shared,

> "*As we look at the influx of new residents that are coming in, we'll have to start looking at, okay, what kind of infrastructure will we need to make sure that we accommodate these new residents? How is that going to have direct impact on us? Is it going to put more strain on our water department? Is it going to cause us to have to hire more people for our water department to better be able to service residents?*"

The Village of Lynwood is working to be strategic with its growth, as the municipality relies on developers to install new infrastructure, with careful oversight, as explained by a village staff member,

> "*When these developers bring in these new subdivisions, they are responsible for putting that infrastructure in and they do a really nice job of working with our public works department and our engineers to make sure that they're following the ordinances and all of the requirements.*"

However, this creates long-term obligations, as one staff member reflects,

> "*Eventually what happens... is that once they're complete they are then deeded over to the municipality. So we want to make sure whatever we take ownership of has been done properly.*"

Staffing limitations also emerged as a significant operational challenge. The water department operates with minimal staff, including only one person handling billing functions. High turnover in utility billing positions has created knowledge retention problems, and the current arrangements reflect broader capacity constraints that limit the village's ability to implement more sophisticated payment programs or customer service improvements.

The village recently explored state revolving fund options for water tower improvements, working with engineers to understand available loan programs. The staff described recent discussions by sharing,

> "*We actually just met with our engineer about a week ago about the loan program that is forgivable. We were talking about the work that needs to be*

done on our water towers. That's still a cost to us because we'd have to leverage our engineers, which costs, but it would definitely be beneficial."

While these programs offer potential benefits including loan forgiveness, the village staff also acknowledged the challenges by explaining that,

"We would benefit from having access to resources that can help drive more money into village to address some of these needs…but the application process and engineering costs make it hard to sell [to our stakeholders]."

A consistent theme throughout interviews was the strong preference for direct assistance to municipalities rather than individual resident programs. The village staff argued that municipalities better understand local needs and resource allocation by sharing,

"We are always going to advocate for direct funding to the municipality because we best understand where it needs to go and how we need to use it."

Staff also emphasized the administrative burden facing small municipalities by sharing,

"Having to go through a third party or having us go through a ton of red tape or a ton of paperwork to get this funding is just…we are a small municipality. We don't have the staffing to support all of that, but we still have the need. So just understanding the benefit of directly funding the municipality is important."

6. Residents' Perspectives

To better understand the affordability challenges that residents face, we designed and fielded a survey that was shared by the Village of Lynwood as a flyer in monthly water bills. We received 31 total responses between June 15 and September 15, 2025. Residents' written comments provide critical context for understanding water affordability in Lynwood. These narratives underscore several recurring themes, many of which echo the quantitative findings on billing patterns, the sharp rate increases since 2023, and the challenges described by municipal staff in interviews.

While 51.7% of survey respondents reported that their bills are easy to understand, open-ended feedback highlights ongoing confusion. Residents expressed a need for itemized breakdowns of usage and charges, clearer definitions of terms, and side-by-side comparisons with prior months. These concerns mirror staff recognition that limited billing staff capacity constrains the Village's ability to redesign bills or provide more detailed explanations. As one resident noted,

"It appears on the bill that we have the same usage each month, but the bill is always different, and the difference is not readily evident."

Although Lynwood bills are now monthly, households continue to struggle with budgeting due to fluctuating charges. Respondents emphasized the difficulty of setting aside consistent amounts when usage appears unpredictable. This aligns with earlier findings that the Village abandoned bi-monthly billing after fixed-income residents, particularly seniors, struggled with larger, irregular bills. One explained,

"Having different billing amount doesn't help me set a budget."

Multiple residents shared their perspective that they think Lynwood's water bills as high compared to nearby municipalities. This perception may reflect the documented rate increases from $5.54 per 1,000 gallons in 2023 to $10.20 in 2024–2025, which shifted Lynwood from below the regional average to one of the slightly above average-priced providers. For instance, one respondent called the system,

"extremely expensive and overpriced compared to neighboring towns."

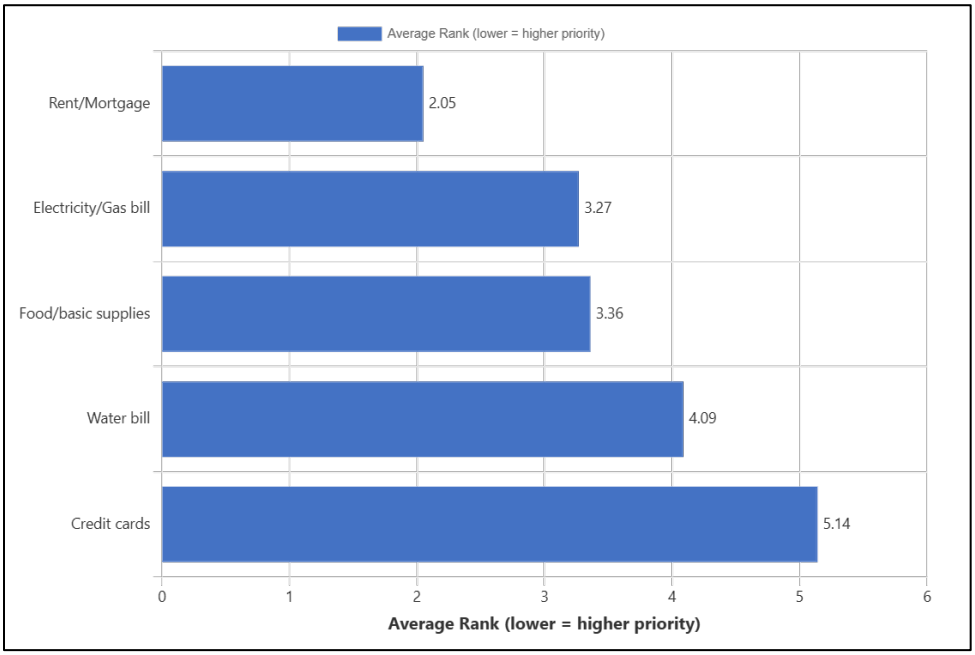
Consistent with survey results showing that 55.2% of respondents had not received information about water assistance programs, open-ended responses emphasized the need for more visible outreach. Residents requested *"budget billing," "payment plan options,"* and *"assistance program information."* These perspectives echo municipal staff frustrations with low participation in Bloom Township programs, often due to stigma or lack of awareness

Some residents framed water affordability within broader inflationary strain. As one noted,

"Everything has increased; therefore I am concerned about all of my bills."

This perspective situates water affordability alongside rising housing costs, higher utility bills, and fixed or declining household incomes, all factors documented in the socio-economic profile of Lynwood (e.g., rising extreme poverty rates, aging housing stock, and declining household incomes since 2020). In survey responses, residents shared that sometimes water bills are not their highest priority for payments as shown in Figure 21. When having to decide which bills to pay first, rent or mortgages, other utilities, and food or basic supplies were prioritized above water bills.

Figure 21. Lynwood Resident Payment Priorities



Together, these resident perspectives reinforce a picture of households caught between rising rates, limited bill clarity, and insufficient awareness of support options. They also illustrate the disconnect identified in staff interviews that even when resources exist, barriers to access reduce their current effectiveness.

7. Key Findings & Recommendations

Drawing from both the quantitative data analysis and qualitative insights gathered through staff interviews, the following section synthesizes key findings and presents targeted recommendations to improve water affordability in the Village of Lynwood. These recommendations are evidence-based and organized in order of implementation complexity, beginning with those that are easier to adopt in the short-term and progressing toward those requiring more time, buy-in, and/or resources over the long-term.

Key Finding #1: Water in Lynwood has become less affordable, especially for lower-income and fixed-income residents.

Recent sharp increases in water rates (from about $5.50 per 1,000 gallons in 2022 to $10.20 in 2025) have pushed household bills higher, creating significant challenges for those in poverty or on fixed incomes. While median household income remains relatively strong, affordability is a growing concern for vulnerable groups.

- **Recommendation:** Maintain monthly billing to support household budgeting and develop targeted affordability programs, such as income-based payment plans, arrearage management, or automatic enrollment for eligible residents.
- **Funding Opportunity:** Establish a dedicated affordability fund to offset arrearages, subsidize bills for qualifying households, or pilot "percentage-of-income" payment plans for those in deep poverty.

Key Finding #2: Current communication and administrative processes are inconsistent and create confusion.

Residents report limited understanding of rate changes, assistance programs, and shutoff procedures. Information is often fragmented across bills, offices, and the Village website.

- **Recommendation:** Establish a consistent, multi-channel communication strategy that includes clear bill inserts, website updates, text alerts, and social media. Simplify and standardize assistance applications to reduce burdens on both residents and staff.
- **Funding Opportunity:** Modernize billing software, develop multilingual outreach materials, and implement automated messaging systems that proactively notify residents about assistance programs and payment deadlines.

Key Finding #3: Lynwood's reliance on purchased water exposes residents to upstream cost increases.

Because the Village buys water from Lansing (sourced from Hammond, IN), it has little control over wholesale prices. Recent spikes in wholesale rates directly drove higher local bills.

- **Recommendation:** Commission a comprehensive rate study to model future wholesale costs, evaluate gradual rate adjustments, and consider alternative rate structures (e.g., increasing block rates, differential pricing for high-volume users) to improve equity and long-term revenue stability.
- **Funding Opportunity:** Contract professional consultants for the rate study, invest in demand-management programs (e.g., leak detection, conservation incentives), and explore regional partnerships that reduce reliance on volatile wholesale arrangements.

Key Finding #4: Manufactured housing and renter households face unique affordability barriers.

Mobile and manufactured homes, as well as renters, are more vulnerable due to land tenure challenges, bundled housing costs, and peripheral service access.

- **Recommendation:** Implement targeted outreach to these households. Pilot landlord engagement strategies, explore property-based assistance, and ensure service consistency for residents not directly billed by the utility.
- **Funding Opportunity:** Create a pilot program for manufactured housing communities that provides direct bill credits, establish partnerships with property owners to stabilize utility costs, and fund a community liaison to support outreach and enrollment.

Key Finding #5: Rising poverty and population decline threaten long-term system sustainability.

Between 2017 and 2023, Lynwood's population fell by 3%, while extreme poverty nearly doubled from 4.4% to 8.1%. These shifts increase affordability pressures and undermine the stability of utility revenues needed for infrastructure investment.

- **Recommendation:** Partner with Cook County, Elevate, and state/federal agencies to secure grants or low-interest financing for infrastructure improvements, reducing reliance on user fees for system upkeep.
- **Funding Opportunity:** Replace aging water mains, address lead service lines in older homes, and upgrade metering infrastructure to reduce losses and improve billing accuracy, which can be investments that strengthen the system while easing pressure on ratepayers.

In the near term, Lynwood can improve affordability by maintaining monthly billing, expanding payment assistance, and strengthening communications to reduce confusion and delinquencies. In the longer term, structural challenges tied to wholesale costs, manufactured housing, poverty, and population decline require a forward-looking strategy. Funding opportunities can directly subsidize affordability programs, modernize billing and communications systems, and underwrite major infrastructure upgrades. Together, these actions balance immediate resident relief with long-term system sustainability.

6. Conclusion

The Village of Lynwood faces mounting water affordability pressures due to sharp rate increases, population decline, and rising poverty among its most vulnerable residents. While water remains relatively manageable for many households near the median income, lower-income residents, particularly seniors, renters, and those in manufactured housing, are experiencing growing financial strain. Survey responses also underscore the importance of transparent billing, consistent communication, and predictable payment options.

The defining policy issue for Lynwood is the recent sequence of steep rate hikes, which more than doubled charges between 2022 and 2025. These increases were driven largely by rising wholesale costs outside the Village's control but have created immediate affordability challenges and reputational concerns. Without intervention, sudden and significant rate jumps threaten both household budgets and long-term trust in the system.

In addition to household challenges, Lynwood must navigate systemic risks tied to its reliance on purchased water, inherited debt obligations, and aging infrastructure. These pressures highlight the importance of pairing near-term resident relief with long-term structural reforms. Despite these challenges, Lynwood has a strong foundation for progress. Village leadership and staff have demonstrated commitment to addressing affordability, experimenting with billing practices, and seeking regional solutions. The recommendations in this report are designed to be both actionable and fundable by targeting improvements to customer communication, payment assistance, rate design, and infrastructure support. Through these strategies, Lynwood can take meaningful steps to improve water affordability while strengthening the long-term fiscal and operational health of its water system.

Concluding Remarks

Any questions or comments related to this report should be directed to the lead author, Dr. Kate Albrecht (kalbrech@uic.edu) or the project's Principal Investigator, Dr. Deborah A. Carroll (deborahc@uic.edu). The researchers at the University of Illinois Chicago's Government Finance Research Center (GFRC) are committed to providing innovative and unbiased public finance research that shapes and informs public policy and scholarly discourse. Thank you for working with us to make government agencies work better to improve the fiscal health of our communities.

Lynwood Affordability Recommendations					
Recommendation	**Timeframe**	**Action Steps**	**Timeline**	**Estimated Cost**	**Potential Funding Source(s)**
#1: Monthly Billing & Targeted Affordability Programs	Short-Term to Long-Term	1) Continue current practice of monthly billing; 2) Develop income-based payment plan with automatic enrollment based on eligibility; 3) Establish an affordability fund to offset arrearages.	FY2026 Going Forward	Minimal, combined with billing processes currently used, and revenues currently collected	Earmarked Utility Fund Revenues
#2: Implement Outreach Communication Strategy	Short-Term to Medium-Term	1) Add payment assistance program information to electronic bills and website; 2) Review website content and update quarterly; 3) Implement electronic alert system using information for electronic billing; 4) Implement automated electronic payment reminder system; 5) Integrate existing meters with automated billing platform; 6) Implement non-electronic or automatic payment assistance program enrollment; 7) Implement 'pick-a-date' billing system.	Varies, based on action steps taken	Varies, based on action steps taken	Cook County Water Affordability Program
#3a: Conduct Comprehensive Water Rate Study	Medium-Term	1) Issue RFP for soliciting consultant to perform rate study; 2) Review applications, award contract, and assign liaison for consultant; 3) Provide information and data needed for analysis.	9 Months - 1 Year	$40,000 - $70,000 typical cost estimate for comparable system size and complexity	Cook County Water Affordability Program
#3b: Consider Alternative Rate Structures	Medium-Term	1) Incorporate requirement for analysis of variable rate structures in RFP for water rate study; 3) Provide information and data needed for analysis.	9 Months - 1 Year	$20,000 - $30,000 added to rate study cost, depending on number of alternative rate structures analyzed	Cook County Water Affordability Program

#4: Outreach to Manufactured Housing Occupants and Renters	Short-Term to Medium-Term	1) Develop strategies for landlord engagement; 2) Consider property-based payment assistance; 3) Create pilot program to provide direct bill credits; 3) Create a community liaison position to support outreach efforts.	9 Months - 1 Year	Varies, based on action steps taken	Cook County Water Affordability Program
#5: Collaborate on Grant Applications or Low-Cost Financing for Infrastructure Improvements	Medium-Term to Long-Term	1) Identify potential partners to build capacity for administrative burdens associated with funding opportunities; 2) Engage with partners to apply for funding.	FY2026 Going Forward	Negative, as this is intended to leverage additional revenue	EPA; IEPA; SRF