COUNTY OF KENDALL, ILLINOIS ECONOMIC DEVELOPMENT COMMITTEE

County Office Building County Board Room 210 111 West Fox Street Yorkville, IL 60560



Friday, October 4, 2019 at 9:00a.m. SPECIAL MEETING AGENDA

- 1. Call to Order
- 2. Roll Call Audra Hendrix (Chair), Scott Gryder (Vice Chair), Amy Cesich, Matthew Prochaska, Robyn Vickers
- 3. Approval of Agenda
- 4. Approval of August 30, 2019 Meeting Minutes
- 5. Committee Business
 - Discussion of Data Center Incentive Law
 - Discussion of Economic Development Corporation
- 6. Updates and Reports
- 7. Chair's Report
- 8. Public Comment
- 9. Executive Session
- 10. Adjournment

COUNTY OF KENDALL, ILLINOIS

Economic Development Committee

Meeting Minutes Friday, August 30, 2019

Call to Order

The meeting was called to order by Chair Audra Hendrix at 9:00a.m.

Roll Call

Attendee	Status	Arrived	Left Meeting		
Amy Cesich	Present				
Scott Gryder		9:04 am			
Audra Hendrix	Here				
Matthew Prochaska	Here				
Robyn Vickers	Here				

Staff Present: Scott Koeppel

<u>Approval of Agenda</u> – Member Cesich made a motion to approve the agenda, second by Member Prochaska. <u>With four members voting aye, the motion was approved</u>.

<u>Approval of July 26, 2019 Meeting Minutes</u> – Member Cesich made a motion to approve the July 26, 2019 meeting minutes, second by Member Vickers. <u>With four members voting ave, the motion carried by a vote of 4-0.</u>

Committee Business

- Discussion of Kendall County EDO Funding Mr. Koeppel reported that staff received correspondence from the DCEO via the County's lobbyist stating that Revolving Loan Fund monies may be used in any manner deemed appropriate by that unit of government. Chair Hendrix asked that the correspondence be included in the packet and noted in the minutes. She also requested Mr. Koeppel inquire about Board members' personal liability with the State's Attorney Office. There was consensus to forward the correspondence to the COW for discussion of the full Board.
- Discussion of Waubonsee Small Business Development Center Chair Hendrix suggested that the Committee utilize the Waubonsee Small Business Development Center, by requiring loan applicants to go to the WSBDC for a business plan and other classes. Member Gryder suggested the County collaborate with the Development Center to host a workshop. Member Prochaska indicated that working with the Development Center was a good idea, however he was already concerned with the length of the loan application process. Mr. Koeppel also indicated he would like assistance in reviewing a Business Plan and determining financial viability of the applicant. There was consensus to direct loan applicants to the Development Center for assistance, however it is not a requirement to get a loan.

COUNTY OF KENDALL, ILLINOIS

Economic Development Committee

Discussion of EDO Breakfast – Member Prochaska suggested the event be linked to the EDO forming and it be a dinner or fundraiser. Other Members agreed. Mr. Koeppel also noted that once given the go ahead to form the EDO he needed legal assistance weather from the SAO or an outside Attorney.

<u>Updates and Reports</u> — Member Gryder asked about retaining the lobbyist and budget. The fee came out of the Highway budget this fiscal year. The County did get funding for several roads as part of Rebuild IL.

<u>Chairs Report</u> — Chair Hendrix reported that she and Member Cesich attended the Counties and Cannabis Seminar. She indicated they gleaned important information about zoning, law enforcement and employee topics that need to be addressed before January 1 when the new law goes into effect. Member Gryder asked if this was discussed at LJL and if there was a recommendation forwarded to COW for further discussion. Member Prochaska indicated that PBZ has been discussing zoning regulations as it relates to the new law.

Items for the September 3, 2019 County Board Meeting - None

Items for the September 12, 2019 Committee of the Whole Meeting

Discussion of Economic Development Organization

Public Comment - None

Executive Committee – Not needed

<u>Adjournment</u> - Member Prochaska made a motion to adjourn, second by Member Vickers. There being no objection, the Economic Development Committee meeting was adjourned at 9:58a.m.

Respectfully submitted,

Mera Johnson Risk Management & Compliance Coordinator

Kendall County Economic Development Commission Loan Status 8/31/2019

		A		<u>B</u>	C	D		E
	Last Pymt	Monthly Payment		Total Paid			Bank Totals	
Account Name I	Loan Date	Principal	Interest Rate	Principal	Interest	Principal Balance	Interest Earned	Bank Balance includes I earned
Surplus - EDC BB #815-535							431,208.56	1,701,854.53
Law Office Corporation								
Payment: #50	8/1/2019	579.05		455.53	123.52			
Loan Status: Midland State Benk	3/11/2015	450.56						
		120,000,00 120,450.56	1.50%	22,093.80	6,858.70	98,356.76	47.68	29,579.23
Civilian Force Arms								
Payment: #48	8/14/2019	1,700.00		2,000.00	0.00			
Loan Status; First National Bank	8/6/2015	90,000.00	2.90%	74,947.36	6,791.14	15,052.64	79.66	81,818.16
Dearborn Café								
Payment: #48	8/1/2019	1.024.93		960.72	64,21			
Loan Status: FNB #2920	9/1/2015	80,000.00	2.10%	44,271.32	4,925.34	35,728.68	107.83	49,304.49
Lucky's Beef N Dogs								
Payment: #13	8/22/2019	225.00		151.79	73.21			
Loan Status: BB 286	5/23/2017	32,086.20	2.90%	1,945.00	980.00	30,141.20		5,041.96
Total Loan Statuses		322,536.76		143,257.48	19,555.18	179,279.28	431,443.73	1,867,598.37

<u>Total Assets</u> 2,046,877.65

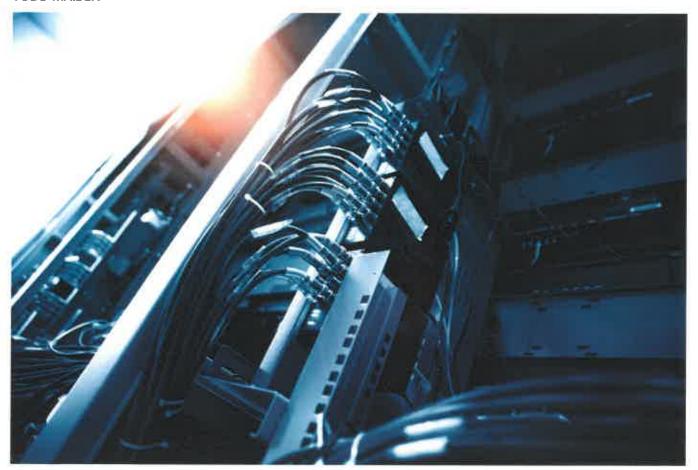
CRAIN'S CHICAGO BUSINESS

August 19, 2019 05:03 PM

Illinois data centers: Powering economic growth and opportunity

This summer, the governor signed a data center incentive into law, opening up Illinois for what could be hundreds of millions of investment dollars in the state. Here's what he should do next.

TIM DAY
TODD MAISCH



Getty Images

This summer, the governor signed a data center incentive into law, opening up Illinois for what could be hundreds of millions of investment dollars in the state. Here's what he should do next, executives of the U.S. and Illinois Chambers of Commerce write in this Crain's op-ed.

Today, nearly every industry, including financial services, health care, retail, telecommunications and transportation, utilizes data to both improve daily business operations and support future innovations. From crop monitoring drones used by farmers to lifesaving gene therapies and wearable fitness devices, all these innovative technologies have one thing in common—they are powered by data centers.

This summer Gov. J.B. Pritzker signed a data center incentive into law, opening up Illinois for what could be hundreds of millions or even billions of investment dollars in the Prairie State. The bipartisan measure is one of Illinois' most monumental economic development programs of the decade and is sure to bring high-paying jobs, greater economic opportunities, and additional revenue streams for communities across the state.

Data centers not only support the functionality of all networked, computer-centric devices, such as smartphones, tablets, and GPS systems, but they are unique real estate assets—requiring multimillion-dollar, up-front capital investments as well as ongoing operating and maintenance costs.

Capital investment in the industry fuels a continuing demand for data center construction and labor, which will be especially significant in Illinois where employment growth in the construction sector has lagged behind the national norm in recent years. Initial expenditures include land acquisition and base building construction costs, such as architectural planning, permits and local taxes. The bulk of the initial capital investment, about 83 percent, comes in mechanical and electrical equipment, with labor installation accounting for about 75 percent of the cost.

Operating investment goes to administration, maintenance, power, security, staffing, taxes, and other costs. According to a 2017 study by the U.S. Chamber's Technology Engagement Center (C_TEC), overall, a \$215.5 million initial capital investment on

building a typical large data center supports over 1,600 jobs during a year-and-a-half to two-year construction phase and \$777 million in wages.

After excluding all mechanical and electrical equipment assumed to be produced outside the state, capital investment of the typical data center creates \$243.5 million in economic activity for the local community. During its yearly operation, a typical large data center supports another 150-plus local jobs and \$7.8 million in wages at the center and along the supply chain, adding \$32.5 million in economic activity to the local community.

Illinois has encouraged investment by adding an additional enhanced income tax credit for new data center construction in underserved areas, providing the opportunity for property tax revenues and economic growth for communities that need it the most. In addition to property taxes paid directly by the data center, local governments receive approximately\$1.1 million per year in individual income and sales taxes. Incentives can also bring improved power grids and telecommunication systems to these communities.

Further, according to a recent study by the U.S. Chamber of Commerce and Amazon, greater access to digital tools—which rely heavily on data centers—by rural small business owners in Illinois could mean an additional \$2.285 billion in annual sales, \$398.3 million in annual wages, and thousands more jobs for Illinoisans.

The tens of thousands of American workers building and operating data centers and the millions of small businesses they support are proof that with the right policies and investments, technology will continue to create jobs and boost income for hardworking families in Illinois and across America.

We commend the governor and all the Illinois legislators and stakeholders who supported this bill on being proactive in establishing this incentive and joining the 30 other states that have similar incentives to attract data centers as part of expanded economic development efforts. However, the job is not done yet.

We urge the administration to move forward as quickly as possible on a rulemaking process to define scope, establish certainty, and encourage investors to move

forward—all aimed at giving Illinois the best opportunity at remaining competitive in today's digital economy.

Tim Day is senior vice president of the U.S. Chamber of Commerce. **Todd Maisch** is president and CEO of the Illinois Chamber of Commerce.

Inline Play

Source URL: https://www.chicagobusiness.com/opinion/illinois-data-centers-powering-economic-growth-and-opportunity