

Lee-Ogle Enterprise Zone Agenda Location: Online Meeting at https://zoom.us/j/214765668 Date: 10/6/2021 at 10 am

10:00 a.m.	Ι.	Call to Order and Attendance	Chair	
10:05 a.m.	١١.	Minutes	Andy Shaw, Administrator	
10:10 a.m.	III.	Unfinished Business		
		a. Financial Reportb. Administrator Reportc. Other Unfinished Business	AS AS Board	
10:30 a.m.	IV.	New Business		
		a. Rochelle/Lee County EDA Grantb. Meeting Schedule for 2022	AS AS	
11:00 a.m.	V.	Next Board Meeting:	Board	
11:05 a.m.	VI.	Roundtable Discussion	Chair	

2021 Meetings of the Lee Ogle Enterprise Zone Board are "<u>1st Wednesdays, every other month, at 10 A.M."</u>: February 3, 2021, April 7, 2021, June 2, 2021, August 4, 2021, October 6, 2021, and December 1, 2021.



Lee-Ogle Enterprise Zone Meeting Minutes

Location: https://zoom.us/j/214765668

Voting Membership Attendance			Guest A	ttendar	nce
In- Person	Remote		In- Person	Remote	
	\boxtimes	Rochelle Mayor John Bearrows		\boxtimes	Greg Sparrow, Ogle County Board Econ Dev.
	\boxtimes	Dixon Mayor Liandro Arellano		\boxtimes	Don Griffin, Ogle County Board-Oregon
		Amboy Mayor John Schamberger		\boxtimes	Mary Oros, Dixon City Council
		Mount Morris (Village Clerk Paula Diehl)			
	\boxtimes	Oregon Mayor Ken Williams			
		Ashton President Tim Henert			
		Franklin Grove President David Atkinson			
	\boxtimes	Lee County Vice-Chairman John Nicholson			
	\boxtimes	Ogle County Chairman John Finfrock			
	\boxtimes	GREDCO (Jason Anderson)			
	\boxtimes	LCIDA Exec. Director Kevin Marx			
	\boxtimes	Zone Administrator Andy Shaw (Vice-Chair)			

Call to Order

7 of 11 were present for quorum.

Minutes

Minutes for previous meeting on 6/2/21 were distributed in the board packet for approval. <u>Nicholson</u> motion to approve, Finfrock 2nd. All in Favor, Passed

Financial Report

The 1st project fund page is a corrected version of the previous meeting's report, which was off by \$20.00 due to a typo. The 2nd project fund page shows project fees from one project, an unannounced retail project in Rochelle, to reach a current balance of 171,558.42. An additional project fee was deposited just after the first for \$4,811.63. The admin budget report for seven month showed expenses on track to come in under budget. <u>Arellano motion to approve, Marx 2nd. Roll Call Vote, All in Favor, Passed</u>

Administrator Report

Shaw made note that he included in the meeting materials a compiled table of area real estate tax rates and that in our zone we have competitive rates, especially against Rockford, Freeport and DeKalb. Good, efficient local government out here. He had a recent interaction with a local company with tax concerns and went through and compiled the history of the various parcel's abatement schedules. They were in order, but Shaw encouraged anyone who has such an interaction to consider bringing him into the picture to get a thorough analysis for the business. With Project Jackpot, a couple more taxing districts have joined the enhanced schedule, and the intent is to make taxing district request to the remainder upon the certification of our amendment from DCEO. We have been pitching the new schedule to multiple projects and expect it to have an impact in landing the next big one. Shaw talked about the Hub Zone program that is available to assist firms that contract with the US government. It is available in parts of our area, and he will be working to add Dixon in the next annual amendment process.



New Business

No new business. Group discussion took place on labor and housing availability. Rochelle has a Hiring Expo planned for September 16th, with an exclusive hour offered to RTHS students, then to open to the public. They report 300 open positions in the city. Ogle County will be holding a working group meeting on a potential economic development partnership of municipalities on August 25th.

Next Meeting Location

October 6th, 2021 via Zoom

Adjournment

Shaw motion to adjourn, Finfrock 2nd. Passed.

Lee-Ogle Enterprise Zone Sauk Valley Bank Checking Account

Date	Check No.	From	Deposit	Withdrawal	Total	
		Balance carried over from 7/31/21			\$	171,558.42
8/2/2021		MDS General Contracting LLC	\$4,811.63		\$	176,370.05
8/31/2021		Interest	\$14.97		\$	176,385.02
9/1/2021		Blackhawk Hills Regional Council (Housing Study)		\$17,645.50	\$	158,739.52
9/23/2021		Moore Family Land LLC	\$ 1,275.00		\$	160,014.52
9/30/2021		Interest	\$ 13.07		\$	160,027.59
		Balance on hand as of 9/30/21			\$	160,027.59

Lee Ogle Enterprise Zone Administrative Budget January 1-September 30, 2021

		Budgeted	
	1/1	/21-12/31/21	Actual
Income			
City of Amboy	\$	710.78	\$ 710.78
City of Dixon	\$	23,167.04	\$ 23,167.04
City of Oregon	\$	880.51	\$ 880.51
City of Rochelle	\$	24,957.77	\$ 24,957.77
Lee County	\$	10,506.75	\$ 10,506.75
Ogle County	\$	7,885.36	\$ 7,885.36
Village of Ashton	\$	636.52	\$ 636.52
Village of Franklin Grove	\$	631.21	\$ 631.21
Village of Mt. Morris	\$	1,856.50	\$ 1,856.50
Total	\$	71,232.44	\$ 71,232.44
Expenses			
Personnel	\$	45,417.67	\$ 29,722.54
Fringe	\$	9,083.53	\$ 3,839.39
Travel	\$	2,647.67	\$ 1,144.92
Other/Indirect	\$	7,026.50	\$ 5,269.86
Non-Fixed Expense	\$	7,057.07	\$ 3,562.26
Total		\$71,232.44	\$ 43,538.97



To:Enterprise Zone Advisory BoardFrom:Andy Shaw, AdministratorDate:10/6/2020Subject:Report of Activities

- <u>Financial</u>: 2022 admin costs are based in part upon the October 2021 annualized CPI, which will be available by our next meeting. See attached for up to date report of the Project Fund and also attached is the rundown of the Administration fees and expenses to date for 2021. Pending projects in multiple zone areas
- 2. <u>Project Jackpot Incentive Enhancement Amendment:</u>
 - Our new incentive tier application for Project Jackpot was certified by the State of Illinois.
 - I have reached out to the tax consultants we worked with to have them encourage the company to use the sales tax incentive for current construction, but they have not applied yet.
 - Next steps include asking non-Rochelle taxing districts to participate and that will take place over the next several months
- **3.** <u>Housing Amendment:</u> The housing project application for Oregon and Dixon was also certified by the State of Illinois.
- 4. Housing Study: 2nd meetings have taken place for the separate studies of Ogle and Lee Counties. In Lee, collected data was presented with analysis showing the housing gap climbing from around 250 to 800 in 5 years to have a reasonably "liquid" housing market. In an Ogle analysis of available MLS listings by income level, for the lowest tier of workforce there was single-digit availability in the current market. These are the kind of findings I was hoping to see to verify the demand we have.
- 5. <u>Population Change for Lee and Ogle:</u> In my BHRC work, I worked with the redistricting data release and found our 2020 Census results:
 - Lee saw no areas of population increase.



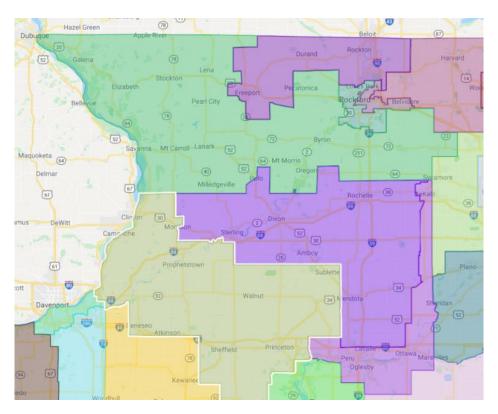
Name	2010 Population	2020 Population	Change	Change %	
Nelson village	170	127	-43	-25.29%	
Sublette village	449	380	-69	-15.37%	
Franklin Grove village	1,021	896	-125	-12.24%	
Steward village	256	229	-27	-10.55%	
Compton village	303	274	-29	-9.57%	
Amboy city	2,500	2,278	-222	-8.88%	
West Brooklyn village	142	131	-11	-7.75%	
Harmon village	120	111	-9	-7.50%	
Lee village	337	313	-24	-7.12%	
Paw Paw village	870	830	-40	-4.60%	
Dixon city	15,733	15,274	-459	-2.92%	
Ashton village	972	967	-5	-0.51%	
Lee Center CDP	New '20	146	New '20	New '20	
Nachusa CDP	New '20	137	New '20	New '20	
Rural Lee	13,158	12,335	-823	-6.25%	
In-town Pop	22,873	21,810	-1,063	-4.65%	*ex new CDP's
Lee County, Illinois	36,031	34,145	-1,886	-5.23%	

• Ogle saw increases in Byron, Lost Nation, and Davis Junction. Of note, Davis Junction in the last Census saw triple digit growth and their growth has continued.

Name	2010 Population	2020 Population	Change	Change %	
Monroe Center village	471	411	-60	-12.74%	
Adeline village	85	78	-7	-8.24%	
Hillcrest village	1,326	1,224	-102	-7.69%	
Creston village	662	627	-35	-5.29%	
Mount Morris village	2,998	2,861	-137	-4.57%	
Stillman Valley village	1,120	1,075	-45	-4.02%	
Oregon city	3,721	3,604	-117	-3.14%	
Polo city	2,355	2,291	-64	-2.72%	
Leaf River village	443	432	-11	-2.48%	
Rochelle city	9,574	9,446	-128	-1.34%	
Grand Detour CDP	429	424	-5	-1.17%	
Forreston village	1,446	1,435	-11	-0.76%	
Byron city	3,753	3,784	31	0.83%	
Lost Nation CDP	708	714	6	0.85%	
Davis Junction village	2,373	2,512	139	5.86%	
Baileyville CDP	New '20	187	New '20	New '20	
Holcomb CDP	New '20	149	New '20	New '20	
Kings CDP	New '20	146	New '20	New '20	
Rural Ogle	22,033	20,870	-1,163	-5.28%	
In-town Pop	31,464	30,918	-546	-1.74%	*ex new CDP's
Ogle County, Illinois	53,497	51,788	-1,709	-3.19%	



- 6. <u>EDA Study for Steward Road area:</u> BHRC is working with the City of Rochelle and Lee County to do a grant to study the best options to mitigate truck traffic in the Village of Steward, as trucks currently route from Interstate 39's Perry Road/Steward Exit through the village to Rochelle's industrial park. I hope to match the grant with our EZ fund, and we should have a concept for this at the next EZ meeting.
- 7. <u>New Illinois Legislative Maps:</u> Passed maps put a portion of the zone into a new district. Oregon and Mount Morris are set to be part of the new 89th district. The rest of the zone is in the new 74th. I have made it a practice to visit our representatives at the capitol when I am at the IEZA conference in Springfield to let them know about our use of the program and will continue to do that. The maps can be seen at <u>https://www.google.com/maps/d/u/1/viewer?mid=1jZRO6exNevlu-pkyvuRNUZMjKQblBqd6&ll=41.83868195110447%2C-89.24257152835243&z=9</u>



8. <u>Back to Business Grant:</u> BHRC became a navigator for this DCEO program so I have been making contacts to encourage applications. There is one week to go to get in the door for funding and after that we will be assisting those needing to appeal decisions. The grant can pay about two months of the annualized loss between



2019 and 2020 (business must have lower revenue in 2020 versus 2019) Several targeted industries are given priority, such as hard-hit restaurants, hotels, and events businesses. Some restrictions, refer any businesses to my office for info.

- 9. <u>C-PACE Funding Program:</u>
 - Ogle: We are (still) making early plans to promote the availability of the program
 - Lee: Passed its initial resolution to move forward. County Committees are expected to hear the ordinance in October with final passage in November by the full board. We appreciate the helpful navigation on this from new Lee Co Administrator Wendy Ryerson and hear of firms interested in using this tool
- **10.** <u>Duke Solar</u>: made it new application to the county. They were promising ZBA hearings in October but the agenda has not been posted.
- **11.** <u>Promotion of the EZ Incentive:</u> I am working to put out a mailer or something to all business property owners to try to catch some additional projects.
- **12.** <u>BHRC Nuclear Closure:</u> Exelon was kept online for the short term (six years assured). Community planning for an eventual change is still hoped for to mitigate what could eventually happen.
- 13. Meetings Attended
- 8/9 Lee County Housing Study Steering Committee
- 8/23 Rock River Region Water Supply
- 9/3 Zoning Admin Roundtable
- 9/16 Ogle County Housing Study Steering Committee

CRAIN'S CHICAGO BUSINESS

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Chase makes a power move with wind farm outside Chicago

The contract with the 22-turbine project in Lee County, III., is JPMorgan Chase's first major move to meet its 100% renewable energy goal.

STEVE DANIELS

Getty Images

The contract with the 22-turbine project in Lee County is JPMorgan Chase's first major move to meet its 100% renewable energy goal.

JPMorgan Chase has a deal with the developer of a 22-turbine wind farm in Lee County, III., to purchase 70% of the project's output once it's completed.

The contract is Chase's first such deal since announcing its plan in 2017 to source 100% of the power it consumes around the world from renewable resources. The deal enabled the developer, a unit of Algonquin Power & Utilities, based in a Toronto suburb, to obtain financing. Construction began in May.

MORE ComEd is back, baby



Energy bill becomes law

The 108-megawatt facility, located about 90 miles west of Chicago, will have the capacity to power more than 32,000 homes.

For Chase, it's a first step in a plan to finance new renewable projects around the world. Its portion of the wind farm is sufficient to meet 14% of its global electricity demand. Future deals are likely to occur in other markets where Chase has a significant presence.

The New York-based bank is the largest commercial and retail bank in the Chicago area and also has a major presence in Columbus, Ohio. Both Chicago and Columbus are within the PJM regional power grid, the network that the Lee County wind farm will feed.

News of the deal corresponds roughly with enactment of the sprawling energy bill, signed into law today by Gov. J.B. Pritzker. That measure will generate hundreds of millions annually from ratepayers throughout the state to finance new wind and solar projects in order to meet the law's phaseout of fossil fuel power plants no later than 2045.

In recent years, most of the new wind projects in Illinois have been the result of deals like this one with Chase. Corporate heavyweights like Google, Ikea and Amazon often have been the buyers of the output, enabling developers to continue to build even as state subsidies to bolster new development waned. In Illinois, at least, big banks haven't yet gotten involved until now.

Beginning next year, the state will be back in the business—and in a big way.

That's fine by Chase, which could meet its 100% renewable goal by purchasing far cheaper credits from existing wind farms but is willing to pay more to expand the industry. "We want to put as much new (green) energy on the grid as possible," says Brian DiMarino, Chase's head of operational sustainability.

Asked if the moves by states like Illinois to ramp up subsidization of the renewable industry again will make such future deals more competitive for Chase and other corporations, he says, "We're happy to have that problem."

"The best-case scenario is the grid is so green that we don't have to be doing these deals anymore," he adds.

The contract by law must last for at least 10 years, but DiMarino declined to disclose its term. It is creating 100 construction jobs and will generate up to \$1.2 million in annual property taxes for Lee County.

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Source URL: *https://www.chicagobusiness.com/utilities/chase-purchasing-power-lee-county-wind-farm*

BUSINESS

St. Louis Park company behind novel \$2.5B Soo Green Line underground power line project

The power line would send Midwest wind energy east but is facing delays as the company building it tries to get needed approvals for the project.

By Mike Hughlett (https://www.startribune.com/mike-hughlett/6370445/) Star Tribune

The Soo Green Line would be a unique addition to the U.S. electricity grid. Running along a railroad corridor, the big underground power line would ship low-cost renewable energy from the Upper Midwest to eastern markets.

Now, if it can only surmount barriers in the power line approval process.

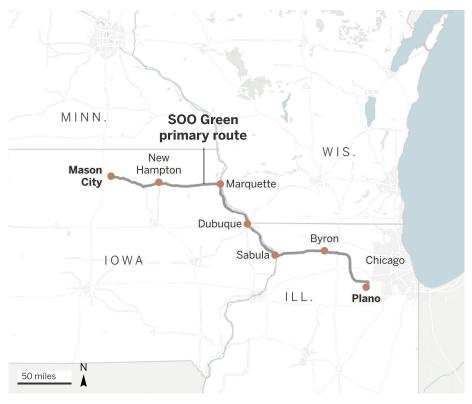
The 350-mile high-voltage direct current (HVDC) line would run from Mason City, Iowa, to a town about 50 miles west of Chicago. The firm behind the \$2.5 billion project, Direct Connect Development Co., is based in St. Louis Park and funded by a global consortium of energy heavyweights.

Soo Green Line has a deal with the Canadian Pacific Railway (successor to the Soo Line Railroad) to host the power line along its right of way, alleviating the biggest problem in plotting transmission lines: resistance from landowners and unwanted environmental impacts.



SOO Green to deliver renewable energy

The proposed privately financed, \$2.5 billion power line would run underground, along a delivering Midwestern renewables to the Chicago area.



Mark Boswell, Star Tribune • Source: expertsnrg.com

"Underground transmission makes a tremendous amount of sense for projects that are bigger," said Joe DeVito, Direct Connect's president. "The primary issue most people have is the 'viewshed' — they don't like to look at it."

The Soo Green Line has other benefits. As an HVDC line, its "line loss" of electricity due to heat would be less than in a traditional alternating current (AC) power line. And at 525 kilovolts, it would be able to push through considerably more electricity than a standard 345-kilovolt AC line.

Soo Green is proposed as a "merchant" power line. The company has no traditional ratepayers, such as utilities do, to lean on for funding. Instead, power line users would foot the bill, providing Soo Green investors with a return.

"We are marrying up [electricity] generators and buyers," DeVito said.

The idea for the Soo Green Line sprung from a plan years ago by CNN founder Ted Turner to build a wind farm on his South Dakota property. With no transmission option, Trey Ward, a lawyer working for Turner, developed the idea for a long-distance underground power line.

Ward, Direct Connect's CEO, works out of North Carolina. DeVito, a power-industry veteran and engineer by training, works from St. Louis Park, as do half the company's 10 employees. More than 100 more people are working on the project for Direct Connect's partners.

Soo Green is about 80% owned by Copenhagen Infrastructure Partners K/S, a Danish private equity fund and a major investor in renewable energy projects.

Siemens Energy, a big German company providing key equipment for the project, owns 10%; New Jersey-based Jingoli Power, the line's main construction contractor, 5%. Last week, the Pennsylvania utility company PPL also bought a 5% stake.

The Soo Green Line is uncommon in that it crosses two major U.S. power grids: MISO, which includes Minnesota and 14 other states in the country's center; and PJM, which covers 13 states, mostly in the east, though also parts of Illinois and Indiana.

Government regulatory approvals don't appear to be an issue, but crossing into PJM territory is. PJM, like MISO, is a nonprofit owned by utilities and other energy stakeholders. They both have a thicket of rules for new transmission.

Since the Soo Green Line would carry energy originating in MISO, not PJM, PJM considers it a power generation project, not a transmission line. But like MISO, PJM has a long line of generators, mostly solar and wind projects, already waiting to connect.

The hurdles are resulting in delays — big ones. Soo Green had originally anticipated starting construction as early as late this year and transporting electricity by 2024's fourth quarter. The processing time in the PJM queue would push that date by more than two years, Soo Green says.

In June, Soo Green filed a complaint with the Federal Energy Regulatory Commission, asking that it require PJM to treat the project like a transmission project, not a generation one.

Despite the disputes, DeVito said he's confident Soo Green will become reality.

"We have serious momentum with this project," he said.

Mike Hughlett covers energy and other topics for the Star Tribune, where he has worked since 2010. Before that he was a reporter at newspapers in Chicago, St. Paul, New Orleans and Duluth.

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https://www.startribune.com/st-louis-park-company-behindnovel-2-5b-soo-green-line-underground-power-lineproject/600102958/?utm_source=Energy+News+Network+daily +email+digests&utm_campaign=8e7bf60e3c-EMAIL_CAMPAIGN_2020_05_11_11_36_COPY_01&utm_m edium=email&utm_term=0_724b1f01f5-8e7bf60e3c-89236475 &refresh=true