



Lake County Finance & Administration Committee Presentation

October 31, 2024



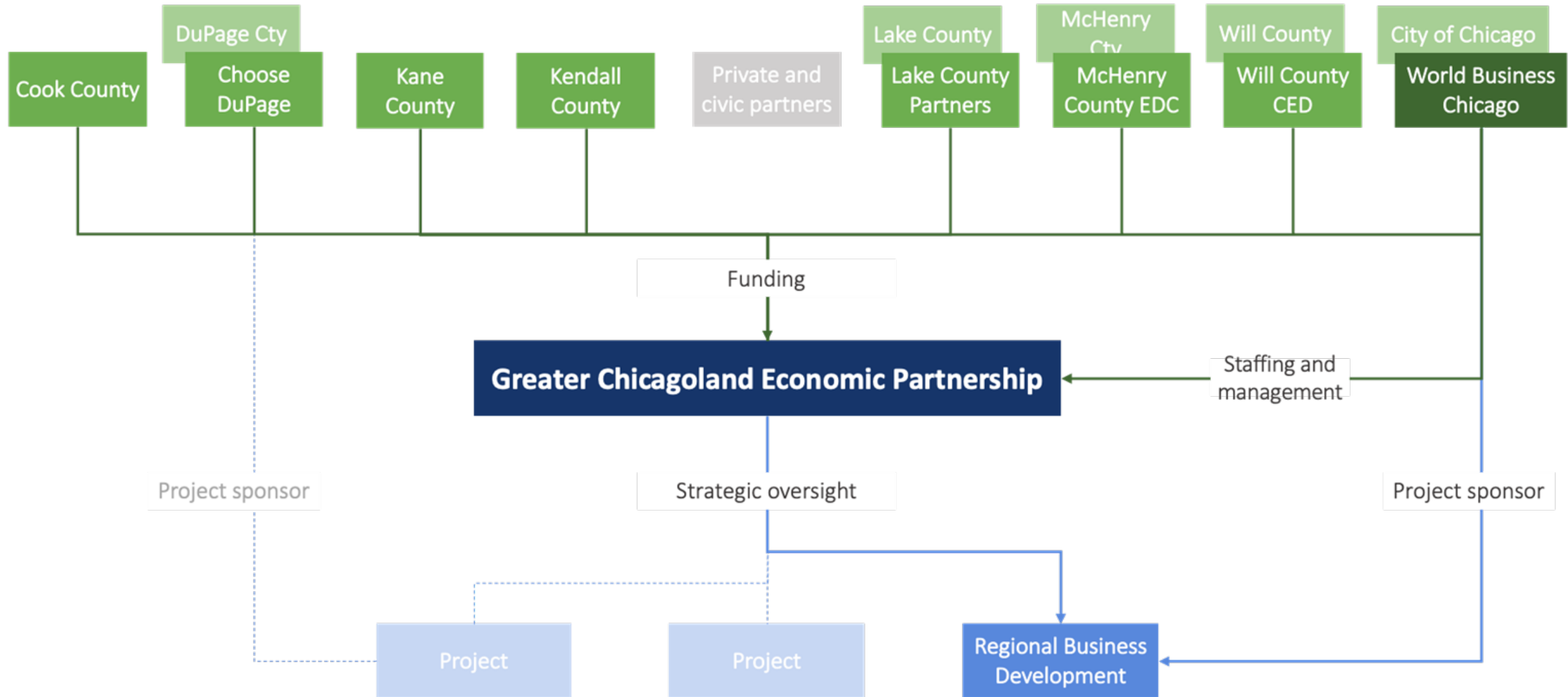
Greater Chicagoland Economic Partnership in 2024

With the great success from the first year of the Greater Chicagoland Economic Partnership, World Business Chicago has been proud to continue riding the wave of inclusive, regional, and collaborative economic development in the region with the GCEP.

In 2024, GCEP has had the opportunity to visit Mexico City, host over 35 international businesses throughout Chicagoland, be recognized for 11 years of Top Metro excellence, and bring home a major win for the region.

This success has been achieved due to the support and collaboration by the GCEP partners, stakeholders, and the private sector representatives' insights in unison.

GREATER CHICAGOLAND ECONOMIC PARTNERSHIP



Progress Snapshot



Event Invitations	86 invites shared with GCEP Partners
Research Requests for Information (RFI)	150 RFIs completed by the Research Center
Regional Innovation and Venture Events	11 completed regional Innovation and Venture events
Regional Project Leads	57 shared with GCEP Partners
Pro-Chicagoland Decisions	105 known regional decisions



Overview of the WBC Research Center's Support of GCEP



Supporting GCEP Through Economic Research & Data

What does the WBC Research Center do?

We support GCEP by providing **custom research services** and leading regional projects – like **asset mapping**, **strategic insights**, and **global identity branding**.

Sample Data Points:

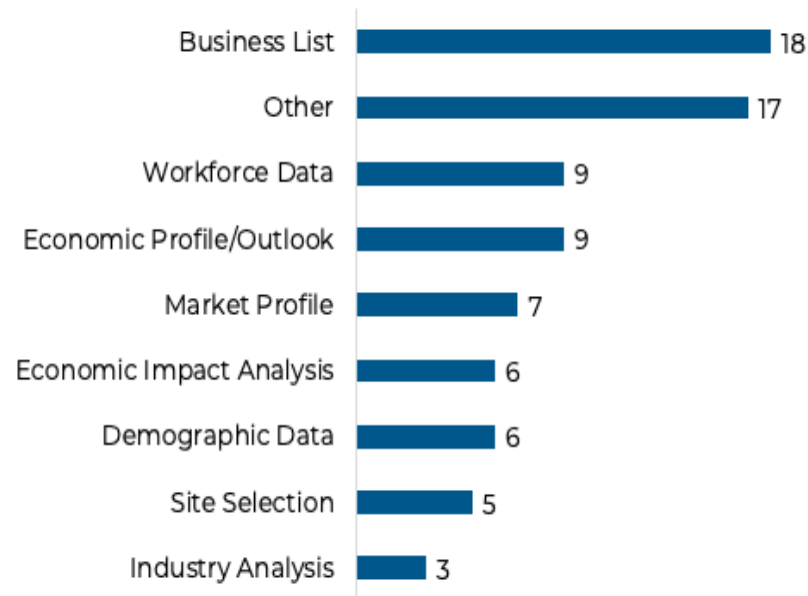
- Business & Company Information
- Consumer Spending & Market Potential
- Cost of Living
- Demographics, Population & Housing
- Economic Impact
- Economic Output
- Economy Overview
- Education
- Industry
- Investments & Startups
- Job Postings, Skills & Talent Attraction
- Supply Chain
- Workforce

Supporting GCEP Through Economic Research & Data

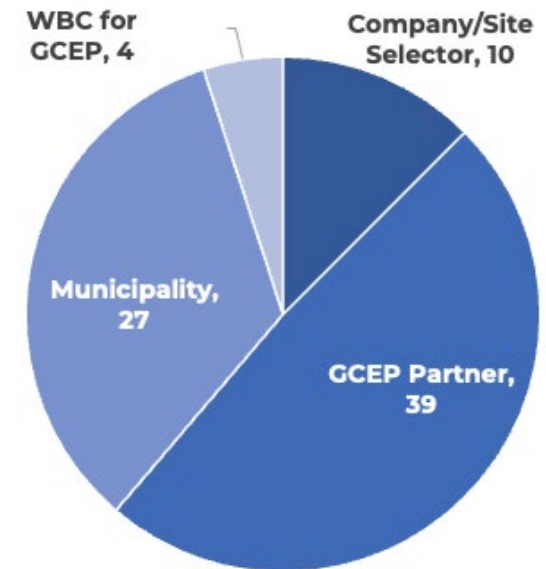
Since launching GCEP, we've...

Completed over **80 requests for information** from county partners, up from 70 in 2023 – on track to reach 100+ by end of year. We've expanded the reach of recipients, including municipalities and community partners.

TYPES OF DATA REQUESTS



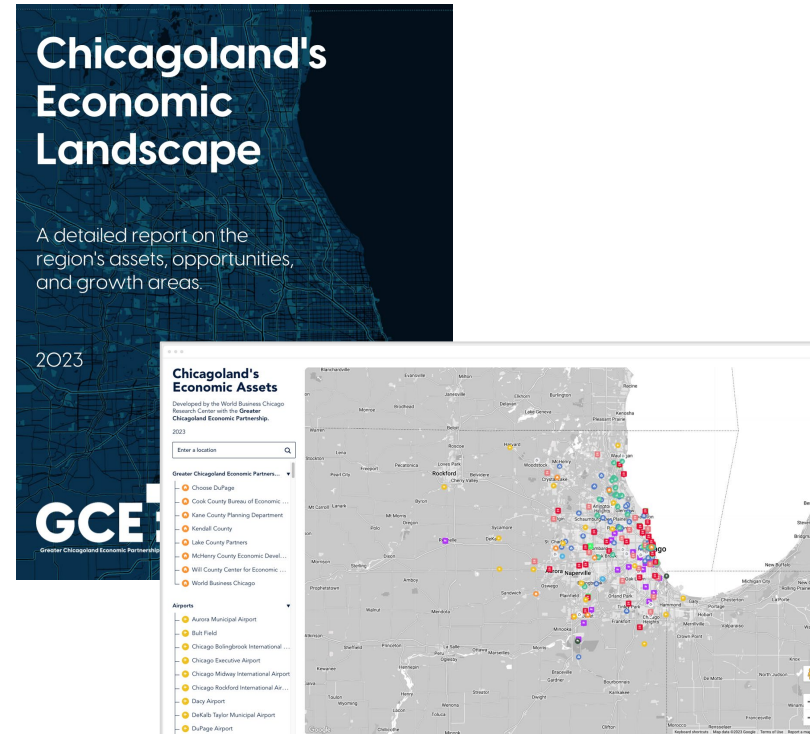
REQUEST RECIPIENTS



Supporting GCEP Through Economic Research & Data

Since launching GCEP, we've...

Published the **Regional Asset Map**, which highlights the region's competitive advantages.



About this Report

The Chicago Region's Value Proposition

Why should businesses and people choose Chicago? This report illustrates key reasons in eight categories:



Underpinning these categories are a few, big themes:

- **SIZE** – Chicagoland is the nation's third largest economy and is among the top 20 global economies; our economy is larger than most nations. The Chicago region offers more supply on a scale unmatched by growing or other low-cost areas. Businesses have access to a larger labor pool, customer base, and supply chain than elsewhere in the US.
- **DIVERSITY** – Unlike other metro areas with strong industry dominance, like tech in the Bay Area or life sciences in Boston, **Chicagoland offers the most diverse economy in the US.** This diversity provides a cushion against economic shocks as businesses and workers can transition more readily to alternative sectors during challenging times. It also enhances the region's competitiveness on a global scale, making Chicagoland better positioned to capitalize on global market trends and shifts in demand.
- **INDUSTRY** – The Chicago region is the most diverse manufacturing ecosystem in the US – of the 21 manufacturing sub-sectors, Chicago is ranked among the top five of 13, and is among the top 10 of 16. This diversity not only enhances the quality of products and processes but also positions the region as a hub for innovation, attracting investment and talent. Moreover, a diverse manufacturing sector is better equipped to adapt to changing market dynamics, reducing vulnerability to economic fluctuations and contributing to the region's long-term stability and prosperity.
- **INNOVATION** – Chicagoland's tech ecosystem is characterized by a blend of established industries, startups, and research institutions that contribute to its unique identity. The diverse economy provides startups with ample opportunities for collaboration and partnerships, and prestigious universities and research institutions foster a rich environment for technology innovation.
- **RESILIENCE** – We are positioned to thrive now and in the future, and can weather more adverse conditions – physically and economically. Chicagoland has the right combination of diversification, adaptability, environmental policy, and supportive social systems that contribute to an economy's resilience.
- **COST** – Chicagoland has more affordable real estate and cost of living, especially compared to the coasts and similarly-sized, globally-connected metro areas. Businesses have access to a world class ecosystem, at the cost of a tertiary market.

Supporting GCEP Through Economic Research & Data

Since launching GCEP, we've...

Led data-driven discussions for regional priority industries, including **new and emerging industries** like data centers, quantum, and AI.

INDUSTRY PROFILE CHICAGOLAND'S DATA CENTER ADVANTAGE

Chicagoland is a key market for data centers, given its central location and proximity to industry users, such as finance and technology. State incentives, as well as power, talent, and land availability have driven industry growth. Moreover, the market is gearing up for the next generation of users, including demand for hyperscale and colocation data centers. Consumer patterns and increased computing capabilities — like AI and quantum — are driving increased data center needs.

MARKET SIZE

For the Data Processing & Hosting Industry (NAICS 518210), which is inclusive of data centers.

PRODUCTIVITY (NOMINAL GDP)		
\$7.12B	+84%	+11%
2023 (est.)	growth over 2019	growth projected to 2027
EMPLOYMENT		
15,160	+38%	+12%
as of Q1 2024	growth over Q1 2023	growth projected to Q1 2028
BUSINESS COUNT		
612	+39%	
as of Q4 2023	growth over Q4 2019	

DATA CENTER MAP

Data centers are concentrated in Chicago and the western suburbs.

POWER

ComEd, Chicago's power provider, serves 5,000+ large customers — ranking lowest for outage durations, offering an average industrial rate of 35% less than peer metros, and pioneering smart grid improvements.

Average Power Rate, 2023

Northern CA	14.6
New Jersey	11.9
Northern VA	7.5
Phoenix	7.5
Chicago	6.9
Dallas	6.4
Atlanta	6.3

INCENTIVES

In 2019, the State of Illinois began offering data center operators state and local use tax exemptions, plus tax credits for construction in underserved areas.

This program makes the state highly competitive for data centers, generating over \$4 billion in investment in its first three years.

REAL ESTATE

As of H2 2023	Sq. Ft.	MW
Inventory	5.05M	842.3
Vacant	0.41M	74.4
Construction	2.29M	635.0
Planned	2.03M	611.8
Rental Rates	\$128 — \$350	
2023 Net Absorption	385.7	MW

Sources: Moody's Analytics - U.S. BLS QCEW - Earl Business Analyst - Illinois DCEO - JLL H2 2023 North America Data Center Report - ComEd Economic Growth Fact Sheet, 2023 - June 2024

ARTIFICIAL INTELLIGENCE & MACHINE LEARNING

CHICAGO IS ENTERING ITS ARTIFICIAL INTELLIGENCE ERA. AI is fundamentally changing the way people - and cities - work - but thanks to recent Chicago-centric innovations, funding, research centers, and a growing talent pipeline, Chicago is in prime position to emerge as an AI hub on a massive scale.

JOBS & WORKFORCE

- 4th largest skills base of worker profiles equipped with specialized core AI skills.
- 6th largest workforce with 401,221 jobs across AI-related occupations, across tech, product, and commercial roles, growing 4% since 2020.
- 3rd most job postings across AI-related occupations with 12,330 postings in May 2024.
- 4th largest workforce for product and commercial roles, important for getting innovation to market and job creation.

UNIVERSITY TALENT

- 3rd largest talent pipeline graduating in core AI majors, with 5,503 completions across all program levels in 2023.
- 4th most Master's completed in AI in 2023, growing 529% since 2020.

PROGRAM HIGHLIGHTS

- Illinois Institute of Technology's Bachelor of Science in Artificial Intelligence is the only undergraduate AI program in the Midwest.
- The University of Illinois at Urbana leads nationally with the second-most degree completions in core AI majors.

STARTUP ECOSYSTEM

286 AI & ML companies raised in VC & PE in Chicago	4.2B local funds investing in AI	116 local funds investing in AI
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Chicago AI startups raised \$218M YTD June 2024, putting it on track to surpass capital raised in 2023 for the vertical and recovering faster than the rest of the ecosystem.

Artificial Intelligence & Machine Learning
Growth capital raised, 2019 - June 2024

Chicago's AI startup sector landscape is most represented by Healthcare and Life Sciences, and Logistics and Supply Chain companies, with these sectors making up 20% of all companies but over two-thirds of all capital raised for the vertical.

In 2024, Chicago AI startups have higher median pre- and post-valuations than the average Chicago company, with a median pre-valuation of \$27.5M (compared to \$16.8M) and a median of \$31.4M (compared to \$24.3M).

Sources: PitchBook Data, Inc. - Lightcast™ - U.S. News and World Report 2023-2024 Best Artificial Intelligence Programs - Center for Security and Emerging Technologies at the Georgetown University School of Foreign Service, The U.S. Demand for AI Talent and The U.S. AI Workforce



A blue-tinted image of the Chicago skyline, including prominent skyscrapers like the Willis Tower, reflected in a body of water. The image is partially obscured by a white diagonal shape on the right side of the slide.

Overview of Strategic Initiatives and Partnership Collaborations

Regional Shared Initiatives



86 Invitations shared with Regional Partners to Strategic Initiatives and partnership opportunities. Highlights in 2024 to date:

- ASEAN Ambassadors Visit to Chicagoland
- 11 Years Metro Excellence - Announcement
- SelectChi 2024
- S&C Electric Palatine Grand Opening
- Brazilian Techs Connection Delegation
- Future-of-Fintech Week

SELECT * CHI

The SelectUSA Investment Summit, hosted by the U.S. Department of Commerce, is an annual event that connects EDO's, investors, and international companies to meet directly and discuss potential foreign direct investment opportunities.

The GCEP applied on behalf of the Chicagoland region and was selected to host SelectChi - bringing **35 international businesses** to Chicago.

This included:

- 15 international leaders
- 19 unique Chicagoland tours
- A Welcome Reception of 100 at Great Central Brewing
- New partnerships with organizations such as the Illinois Corn Growers Association and Illinois Soybeans Association



SELECT
*
CHI



CHICAGOLAND'S QUANTUM ECOSYSTEM



A blue-tinted image of a city skyline, likely Chicago, with several skyscrapers and their reflections in water. The image is partially obscured by a white diagonal shape on the right side of the slide.

Overview of Innovation and Venture Collaborations

WBC Innovation & Venture for GCEP

Upcoming GCEP Opportunities:

Future-of-Fintech Week: September 26-30

- New flagship event focused on connecting entrepreneurs with investors, startups with corporates, and showcase Chicagoland is a leading global destination for financial technology (fintech) innovation.
- Opportunities include:
 - Women-in-Fintech Day with BMO and 1871
 - Startup & Venture Capital Day
 - Future-of-Fintech Week Signature Reception

ThinkChicago Launchpad: November 2024

- ThinkChicago is WBC's flagship STEM talent program, to connect local students and early career talent with job opportunities by innovative Chicagoland companies and startups.
- ThinkChicago Launchpad 2024 with Google Chicago: annual flagship event for community college students in STEM, to explore career pathways by local companies.



Relevant Pro-Chicagoland Decisions and Opportunities

S&C Electric Company








T&D

S&C Electric expanding manufacturing facilities to meet growing demand

S&C Electric company says it is seeing increasing demand for technology that makes the electric grid more resilient and reliable.

Clarion Energy Content Directors

3.22.2023

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Chicago-based, **S&C Electric Company**, is a global provider of equipment and services for electric power systems.

With more than **2,000 jobs in Chicago**, GCEP partners helped the company to identify expansion space, a **275,000 square foot facility** in Palatine. The new facility is expected to create **~200 production and engineering jobs**. The Grand Opening for this facility occurred earlier this month.

PsiQuantum lands in the Region



- Palo Alto-based startup **PsiQuantum** is a quantum computing company on a mission to build and deploy the world's first useful quantum computers.
- Thanks to the powerful collaboration of the GCEP, in conjunction with the ecosystem, PsiQuantum has landed as the anchor for the first-ever Quantum Campus in the U.S - bringing over **500 jobs** and large investment across **120 acres** in Cook County.

Project So Much Solar



Netherland-based solar panel manufacturing company that makes panels that are more effective and fully recyclable due to its engineering, a first-to-market innovator company.

The company is looking to start a US factory HQ, and has identified Illinois as one of the most attractive states due to its incentives and ecosystem of the region. This opportunity would attract over **\$36 million** in investment, and approximately **360 direct jobs**. Lake County is considered to have the top site in Chicagoland. Company will be returning end of October.

Greater Chicagoland Economic Partnership in 2025

As we conclude Q3 2024 of this partnership, World Business Chicago is pleased with the progress made towards advancing inclusive, regional, economic development across Chicagoland.

WBC's #1 Goal for 2024 was to create more opportunities for the GCEP to extend beyond just a regional business development partnership. With the successes of **SelectChi** introducing us to a new global audience, large projects such as **PsiQuantum**, and recognitions such as the **NACO 2024 Achievement Award** and **11 years of Top Metro Excellence**, we have the momentum to continue to grow this foundation.

Thank you your leadership, support and engagement that foundation has been established through the trust we have found this year and will scale in 2025.

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