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**VILLAGE OF SUGAR GROVE  
BOARD REPORT**

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**TO:** VILLAGE PRESIDENT & BOARD OF TRUSTEES  
**FROM:** WALTER MAGDZIARZ, COMMUNITY DEVELOPMENT DIRECTOR  
**SUBJECT:** DISCUSSION: DATA CENTERS AS A PERMITTED USE  
**AGENDA:** NOVEMBER 19, 2019 VILLAGE BOARD MEETING  
**DATE:** NOVEMBER 15, 2019

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**ISSUE**

Shall the Village Board discuss the merits of adding “data centers” as a permitted use in the industrial and business park zoning districts.

**DISCUSSION**

The Illinois Department of Commerce & Economic Opportunity regularly notifies communities of potential development opportunities. Village staff reviews the opportunities and submits potential sites when appropriate. Through this process Sugar Grove was recently a finalist in the site selection process for a data center. While the Village was not selected, the selection process revealed a number of shortcomings the Village may want to consider addressing in order to attract this use in the future.

The site selection team identified two primary concerns with Sugar Grove. The time and uncertainty of both the rezoning process and water system improvements were stated as creating unacceptable risk. The cost of sanitary sewer system improvements, road extensions and land prices were also cited.

The site selection team indicated they will likely be seeking a second site in 9-12 months and would consider Sugar Grove again. They encouraged the Village to address the concerns in the meantime to increase the Village’s attractiveness.

Given the exponential growth in this use for the foreseeable future, and, as we have learned, that Sugar Grove possesses essential infrastructure for this type of use, it is likely the Village will receive attention in the future by this and other companies that provide and/or operate this type of facility. Staff’s research indicates that a data center could fit well with community expectations.

If the Board concurs, Village staff will initiate a process to explore amending the Zoning Ordinance to add data centers as a permitted use in one or more of the industrial zoning districts and a process to evaluate water system readiness.

Prior to presenting a proposed amendment to the Planning Commission for consideration and their recommendation, staff would expect to engage key community stakeholders in an informal review process. Amending the Zoning Ordinance requires a public hearing by the Planning Commission.

Water system readiness evaluation will require consultation with the Village Engineer. Staff could start that process and present the Board with a Professional Services Agreement should any major engineering efforts be recommended.

**COSTS**

There is no cost to discuss the issue.

**RECOMMENDATION**

That the Village Board discuss and direct Village staff to initiate the zoning amendment process to add data centers as a permitted use and initiate a study of water system readiness for data centers.