MOVING FORWARD. WORKING TOGETHER.

THE 2015 ANNUAL REPORT
Lake County Partners is your “go-to” organization for economic development in Lake County. We are a private, non-profit corporation that is supported by investors in the private and public sectors. By leveraging our resources, we improve the local business climate and transform economic opportunities into business realities.

We focus on facilitating collaboration, aligning workforce supply with industry demands, and promoting Lake County to attract, retain and expand businesses.

We also focus on the many ways that we can connect with stakeholders and find new opportunities to grow the economy and create a business legacy for future generations. By working together, we’re moving Lake County forward.

We are your Lake County partner for business.
ON BEHALF OF THE LAKE COUNTY PARTNERS BOARD OF GOVERNORS AND STAFF, WE ARE PLEASED TO PRESENT TO YOU OUR 2015 ANNUAL REPORT.

At Lake County Partners, we’re committed to ensuring Lake County’s continued success. Due to the support of our investors, Lake County Partners’ economic development efforts have flourished. This year, the organization accelerated its Business Outreach Program, established the “Workforce Ecosystem,” expanded municipal investor services, developed the Leadership Lake County initiative and promoted the news and events that perfectly illustrate the “Lake County Promise”—our tagline for those strong community assets that Lake County can be counted on to deliver to employers and employees. We’re proud to highlight many examples of this progress within the following report.

Over the course of 2015, the local economy grew and there was ample evidence that Lake County is not just a great place for people—it’s a great place for business. Average weekly wages remained competitive, Lake County’s employment figures ranked above those for neighboring counties, a significant number of jobs were created, and labor force participation increased. From a real estate standpoint, the top office and industrial leases in the county resulted in the occupancy of nearly 1.6 million square feet of space. In addition, nearly 1.5 million square feet of new industrial/flex space was under construction, further enabling Lake County communities to accommodate thriving companies.

We appreciate the many businesses, organizations, educational institutions and governmental entities that have partnered with us and invested in our mission. We look forward to working together with you to build on the accomplishments outlined in this report and collectively move Lake County forward.

Best Regards,

Joseph Luna
Chairman

Michael H. Stevens
President & CEO
LAKE COUNTY PARTNERS PROVIDES THE WIDE RANGE OF SUPPORT SERVICES THAT ARE NECESSARY FOR POSITIVE BUSINESS OUTCOMES.

**WORKFORCE DEVELOPMENT ECOSYSTEM**
We partner with the Lake County Workforce Development Department, the Workforce Investment Board, the College of Lake County, agencies and private sector providers to connect businesses with a variety of resources related to training, curriculum development, incentives, recruitment and potential funding sources.

**DEVELOPMENT & INFRASTRUCTURE ASSISTANCE**
We work closely with our public sector contacts to help businesses work through permitting, zoning and licensing issues expeditiously. We also assist businesses with understanding the necessary steps required in the building development process and ensure that the appropriate parties are convened for a positive project outcome.

**SITE SELECTION & BUILDING INVENTORY SEARCHES**
We use our databases and strong working relationships with the real estate community and municipalities in Lake County to assist businesses with finding the right location.

**INFORMATION SOURCING**
We serve as a clearinghouse for current, reliable statistical information that can assist companies with making crucial business decisions.

**MARKETING & PROMOTION**
We relay key messages about the Lake County business climate through a multifaceted campaign targeted to business executives, site selectors and brokers.

**TARGETED WORKSHOPS & ADVISORY GROUP MEETINGS**
We regularly host meetings to deliver timely information to stakeholders and advance local economic development initiatives.

**FINANCING**
We are a certified issuer of Small Business Administration 504 Loans for land, buildings and equipment, and we can also help businesses identify potential incentives that may be available.
**COUNTY CONDITIONS**

**PERFORMANCE INDICATORS**

**SNAPSHOT**

**DEMOGRAPHICS**

**EDUCATIONAL ATTAINMENT**

**HOUSEHOLD INCOME**

**LABOR FORCE & EMPLOYMENT**

**COUNTY CONDITIONS**

**THE COUNTY’S TOP COMPANIES**

**FOURTH 500 COMPANIES**

**TOP 15 PRIVATELY HELD COMPANIES**

**TOP 15 PUBLICLY HELD COMPANIES**

**FOREIGN 500 COMPANIES**

**SOURCE: ESRI BUSINESS ANALYST**

**SOURCE: BLS**
In 2013, a 5-year Comprehensive Economic Development Strategy (CEDS) was approved with the aim of increasing employment opportunities and guaranteeing that Lake County remains a prosperous and attractive location for business. The CEDS provides a blueprint for Lake County Partners’ economic development initiatives, and it was prepared with the input and assistance of a variety of stakeholders. Since its inception, the CEDS has served as a master plan for Lake County Partners, guiding the organization’s day-to-day activities in support of its long-term goals. Lake County Partners’ core functions are closely tied to the CEDS implementation strategy, which emphasizes three overarching categories:

• Job Creation: Strengthen and expand partnerships with businesses and local agencies to align job training with projected industry growth

• Organization and Coordination: Serve as a primary point of contact for economic development activities by consistently engaging investors and stakeholders

• Marketing and Outreach: Build a communications program with the goals of retaining and attracting business, educating stakeholders, and reinforcing Lake County’s prominence as a business hub

The CEDS identifies five target industries to be the focus of local economic development efforts:

1. BIOPHARMA: Accounts for over 6.3% of Lake County’s employees, all of whom are highly skilled and educated

2. HEALTH CARE: Represents a strong network of major hospitals and outpatient clinics that collectively employ a large number of workers and provide quality service for residents

3. MEDICAL INSTRUMENT & PRECISION MACHINERY & TOOLING: Provides important product and services support for the local BioPharma and Health Care industries

4. PROFESSIONAL/TECHNOLOGY SERVICES: Includes headquarters operations, advisory and consulting services, general employment and business support services, and a number of robust subsectors important to the local economy

5. ARTS, CULTURE & ENTERTAINMENT: Contributes to the incredible overall quality of life offered in Lake County
The purpose of the outreach meeting is to discuss needs and challenges related to a company’s operations and growth. As a result, we have made the appropriate connections to ensure that businesses have what they need to thrive. Many themes have emerged during our ongoing conversations with business leaders:

- 50% reported that a future business expansion is possible
- 63% reported that finding talent is essential to growth
- 40% reported a need for additional training of current employees

Through the discussions, it became clear that the local economy is driven by Lake County’s strong, educated workforce; in response, Lake County Partners worked with stakeholders to establish and cultivate Lake County’s Workforce Development Ecosystem—the infrastructure of existing experts, educators, funders and connectors that work together to efficiently enable businesses to tap into the pipeline of available talent.

Over the course of 2015, Lake County Partners made 75 connections with key partners such as the College of Lake County, the Lake County Workforce Development Department and the Illinois Manufacturing Excellence Center. These connections resulted in many new hires, training opportunities and internship programs. Moreover, the intelligence gathered and relationships built will foster further economic and employment growth across the county.

2015 ECONOMIC DEVELOPMENT HIGHLIGHTS
BUSINESS OUTREACH PROGRAM

In partnership with the Lake County Workforce Development Department and the Lake County Workforce Investment Board, Lake County Partners serves as a primary point of contact for economic development efforts and manages a strategically targeted program of business outreach. As a result of the Business Outreach Program, Lake County Partners has met with senior leadership at over 100 local businesses in the manufacturing, professional services, BioPharma and Health Care industries.

2015 ECONOMIC DEVELOPMENT HIGHLIGHTS

WORKFORCE ECOSYSTEM SUCCESS STORIES

Little Lady Foods, Village of Gurnee

Little Lady Foods is a private label maker of pizza and other baked goods. The company operates one plant in Gurnee and another in a neighboring county and, due to recent growth, had reached capacity at the current facilities. To accommodate a necessary expansion, the company determined that one of their two facilities would undergo a $30 million modernization that would create 30 new jobs.

Representatives from Lake County Partners, the Workforce Development Department, the College of Lake County (CLC), the Village of Gurnee and the Illinois Manufacturing Excellence Center swiftly worked together to assemble a creative solution for the company, which entailed the Workforce Development Department providing on-the-job training grants for new hires from CLC’s Mechatronics program and subsidizing training for approximately 60 of the company’s existing employees. The Village of Gurnee also pledged to efficiently work through the complex permitting for the facility. This cross-organizational cooperation resulted in Little Lady Foods selecting the Gurnee facility to receive the modernization dollars and additional jobs.

thredUP, Village of Vernon Hills

thredUP, the leading online marketplace to buy and sell like-new women’s and kids’ clothing, has experienced tremendous growth over the last 18 months. The company was in search of a model for their continual operational expansion, and there was an immediate need to hire and train 300 staff members quickly.

After discussing opportunities with Lake County Partners, the company expected to invest $2 million to increase the size of its U.S. headquarters by 50% and add an additional 80 jobs. In assessing locations for expansion, Horizon Pharma consulted with Lake County Partners for insights on available office space that would fit the company’s needs. The company later announced that it would locate its headquarters in Lake Forest and triple its employee count to 600 in the coming years.

As a result of a nomination from Lake County Partners in 2015, Horizon Pharma received an “Edie Award” from the Illinois Chamber of Commerce, the Illinois Economic Development Association and ComEd in recognition of the company’s noteworthy growth in the BioPharma industry.

Flexible International Ltd. (formerly known as Flextronics) incorporated in May 1990 as a provider of design, manufacturing and supply chain services and solutions. The company designs, builds, ships and services innovative packaged consumer electronics and industrial products for original equipment manufacturers and distributors.

When seeking a U.S.-based location in which to invest $150 million and create 300+ jobs in a state-of-the-art facility, Flex chose to locate in the Village of Buffalo Grove. In recognition of the company’s industry leadership, success and commitment to Lake County, Lake County Partners nominated Flex for an Alliance for Illinois Manufacturing (AIM) Manufacturing Award. Flex was selected for an award, and it was presented to the company by Governor Bruce Rauner at AIM’s 2015 Manufacturing Awards Dinner.
2015 ECONOMIC DEVELOPMENT HIGHLIGHTS

2015 NEWS HEADLINES

Lake County continues to be a singular and strong economic force in Illinois and beyond. Ranked as one of the top regions in the country for sustainable economic development, Lake County also retained its AAA bond rating, distinguishing the County from others in the region with significantly lower ratings. Lake County continues to rank among the top counties for travel spending in Illinois, with visitor spending hitting a new high of $1.26 billion, tourism supporting 10,330 local jobs, and travel expenditures generating $76 million in state tax receipts. Here are just a few stories of Lake County’s achievements in 2015.

The Lake County Division of Transportation conducted a 17-month survey which found that traffic technology and enhancements have saved commuters 1,625 hours in travel delays and a total of $9.8 million.

The Business Expansion Journal, in a special report, recognized Lake County’s thriving medical device industry and noteworthy access to talent.

The Workforce Development Department joined with Lake County Partners to host a celebration to recognize and commend the 215 youth who participated in Lake County’s Summer Youth Employment Program.

Libertyville-based MBX Systems was awarded with a “Manufacturing Leadership Award” by Frost & Sullivan’s Manufacturing Leadership Council for the company’s innovative lean procedures adopted to build customized OEM server appliances for business software vendors.

The College of Lake County held a groundbreaking to commemorate the beginning of its implementation of a $163 million plan to upgrade facilities — improvements will add new laboratories and classrooms, modernize facilities and advance the college’s sustainability goals.

ComEd was recognized by Site Selection Magazine as one of the “Top 10 Utilities for Economic Development” for delivering a total projected capital investment of more than $3 billion and nearly 22,000 new jobs across northern Illinois.

Round Lake, Mundelein and Lake Villa all ranked on Movio’s list of the “Top 10 Best Chicago Suburbs for Young Couples.”

Mariani Landscape was honored with the Community Service Award distinction in the 22nd annual Illinois Family Business of the Year Awards by the Family Business Center at Loyola University Chicago’s Quinlan School of Business for the company’s strong commitment to business development, family and the greater community.

Lake County-based Agave Loco, Market6, Brightstar Group Holdings and Paragon Micro were recognized on the Crain’s Chicago Business “Fast Fifty” list of the fastest growing companies in the Chicago region.

Northwestern Medicine Lake Forest Hospital attained Magnet recognition by the American Nurses Credentialing Center for the hospital’s strong commitment to quality patient care and excellent nursing practices; a $425 million expansion is currently underway on the hospital campus, and it is expected to be completed in 2017.

Advocate Condell Medical Center in Libertyville was named to the prestigious list of the “100 Top Hospitals” by Truven Health Analytics for the hospital’s organizational performance and provision of high-value healthcare to the Lake County community; this year, the hospital also broke ground on a new $36 million facility focused on ambulatory care.

Kovitz, Shifrin, Nesbit, Inc. (KSN) announced plans to lease 18,000 sq. ft. of office space for their law firm and bring 80 new employees to downtown Mundelein.

Highland Park Hospital and NorthShore’s Green Team received the 2015 “Emerald System for Change Award” from Practice Green Health, recognizing NorthShore’s commitment to its environmental performance and standard of excellence in sustainability; the hospital is also in the midst of a $75 million modernization program.

CDW initiated renovations for a new 209,000 sq. ft. corporate space in Lincolnshire and constructed a four-story, 932-spot parking garage to accommodate an anticipated 1,100 employees.
On March 4, 2015, Lake County Partners held “The Big Event” at the Lincolnshire Marriott Resort. Guests were greeted with a live string quartet performance provided by Midwest Young Artists and given an opportunity to network with a record-breaking 500+ business and community leaders. Diane Swonk, Mesirow Financial’s Chief Economist and Senior Managing Director, provided a positive economic outlook for 2015, noting that with increased spending and hiring practices, the economy is expanding. Mark Lautman, renowned economic architect and author, presented a keynote speech that highlighted the changing face of the workforce and the need for mentorship and young professional growth. Lautman noted that he delivered over 50 similar presentations throughout the country in 2015, and his expertise indicates that Lake County’s economy is in an optimal position to grow.

Immediately following The Big Event, Lake County Partners hosted an interactive workshop with Keynote Speaker Mark Lautman that was open to all municipal economic development staff in Lake County. The session provided participants with new ways to think about, integrate and execute a hybrid economic-workforce and community development strategy by providing a continuum of new program innovations on topics such as talent attraction, business-organizational models and community development priorities.
Beginning in 2015, Lake County Partners expanded its municipal investor services to increase the quantity and quality of data provided. We invested in analytical tools that have improved the organization’s ability to connect with and refer potential leads and assess the economic impact of proposed projects. As a result, the organization generated over 200 custom reports with important economic development data and analysis and assisted investor communities 193 times with various tasks related to business outreach, attraction and retention.

Lake County Partners also began hosting a quarterly meeting series with the goal of providing a forum for discussion and information on themed topics of interest that will assist municipalities in their community development efforts. Meetings were well attended by staff from across the county, and they were programmed with information on a variety of economic development topics.

Also in 2015, Lake County Partners continued its annual practice of hosting a booth at the ICSC Chicago Deal Making Show at Navy Pier to provide Lake County municipalities with a venue in which to connect with owners, developers, retailers, brokers, lenders, municipalities, property asset managers and product/service providers. Lake County Partners promoted participating communities in advance of the show through a variety of channels including: a targeted email to retail brokers, a new webpage on Lake County Partners’ website featuring information sheets on each of the participating municipalities, and a “social media week takeover” that highlighted municipal features, demographics and properties that may be of interest to those attending the show.

In partnership with its economic development investors, Lake County Partners launched Leadership Lake County to attract and retain young professionals, aged 22-39, in Lake County. The initiative is overseen by a steering committee of young professionals from prominent businesses located throughout Lake County, and the group met over the course of 2015 to better understand Lake County’s business climate and young professionals’ role in our local economy.

To advance the initiative, the steering committee worked with branding and digital firm a5, researching information on Lake County’s demographics, young professional-oriented programs and organizations, and other resources that could support Leadership Lake County’s objectives. To supplement the collected data, the steering committee spent the second half of the year on outreach efforts to gain insight, leading focus group discussions with young professionals and polling human resource professionals via online survey at companies throughout Lake County.

Moving into 2016, the steering committee will aggregate the feedback and use it to identify the existing conditions and future needs of businesses in Lake County as well as the “wants” and “needs” of the young professionals inside and out of Lake County that may serve as the labor force for local key industries. The group will share findings with community and business stakeholders and use the information to shape long-term objectives for the initiative.
The elected leadership of the seven counties of Northeast Illinois and the City of Chicago is participating in an ongoing collaboration to explore opportunities to promote a stronger regional economy. Biannual meetings have been held to bring together representatives from the public and private sectors to build momentum for initiatives that foster regional cooperation and economic growth. In 2015, Lake County Partners and Lake County government hosted the group at Takeda Pharmaceuticals for a discussion on strategies to strengthen the region’s economic development growth opportunities in the areas of freight, logistics and exports.

Outcomes from the regional collaboration include: The Chicago Metro Metal Consortium, the streamlining of truck permitting in the region, and Metro Chicago Exports (MCE). MCE is a strategic economic development program that is a part of the region’s broader business retention and expansion strategy. MCE seeks to increase exports from small and midsize enterprises (SMEs) and support regional job growth.

LEVERAGING PARTNERSHIPS
REGIONAL ECONOMIC DEVELOPMENT COLLABORATION

SBA 504 LENDING

Lake County Partners is one of the few economic development organizations in the country that the U.S. Small Business Administration (SBA) has designated as a “Certified Development Company” to help businesses access the SBA 504 Loan Program to finance their expansion needs. The 504 Loan Program is an attractive alternative to traditional financing because it offers long-term, fixed rate, below-market financing and lower equity requirements for businesses. This allows growing companies to conserve their operating capital and use it elsewhere in the business.

Lake County Partners has partnered with Wessex 504 to better serve and expand the use of this important economic development program. Lake County Partners maintains an overview of the SBA 504 lending program on its website, and staff is available to discuss eligibility and funding requirements with businesses that are interested in pursuing this form of financing.

PRIVATE ACTIVITY BOND CLEARINGHOUSE PROCESSING

Lake County Partners serves as the processing agent for the Private Activity Bond Clearinghouse for the Home Rule communities in Lake County. Private Activity Bonds are tax exempt bonds issued to finance the capital expenditures of manufacturers, 501 (c) (3) non-profit corporations, and affordable housing projects. This type of financing can be used for the acquisition of fixed assets such as land, buildings, or equipment and for renovation and new construction.

METRO CHICAGO EXPORTS 2015 ACCOMPLISHMENTS

- Secured support from county chairs and economic development organizations in the region, including Lake County Partners
- Developed working relationships with key export service providers at the federal, state and local levels
- Received commitment funding from program sponsors to launch the initiative and continue it into a second year
- Awarded $225,000 to 54 small and midsize enterprises to advance their international trade
2015 INVESTORS

GOLD
First Midwest Bank
JP Morgan Chase
Lake County
Mesorow Financial

SILVER
a5 Group, Inc.
Commonwealth Edison Co
Takeda Pharmaceuticals USA, Inc.
Uline Shipping Supplies

BRONZE
Baxter International
Comcast Cable
NorthShore University HealthSystem
Northwestern Lake Forest Hospital
NRG Energy
Power Up Now
Union Pacific Railroad
Vac Vliissingen & Company
Walgrens Boots Alliance Inc.

TITANIUM
AbbVie Inc.
Advocate Condell Medical Center
American Chartered Bank
Cardinal Health
CenterPoint Properties
College of Lake County
DeBruler Company
First Bank of Highland Park
Lake County Contractors Association
Loyola University Chicago
MacLean-Fogg Co
Nicor Gas

COPPER
Barrington Area Chamber of Commerce
Barrington Bank & Trust
Central Lake County Joint Action Water Agency
Fabrication Technologies, Inc.
Grayslake Comm. High School Dist. 127
Hallbart Consulting LLC
Horizon Pharma
Independent Network Consulting
Industrial Developments
International Gazeley
Lake County Housing Authority
Lake County Regional Office Of Education
Libertyville Bank & Trust
Mariana Associates, Inc.
Mariani Landscape
Midwestern Regional Medical Center
Milwaukee’s Mitchell
International Airport
Mundelein Consolidated High School Dist. 120
Newmark Grubh Knight Frank
Pace Suburban Bus
Rosalind Franklin University of Medicine and Science
State Bank of the Lakes - Antioch
United Way of Lake County
University Center of Lake County
W. W. Grainger

MUNICIPAL
Village of Antioch
Village of Bannockburn
Village of Barrington
Village of Buffalo Grove
Village of Deerfield
Village of Fox Lake
Village of Grayslake
Village of Gurnee
Village of Hainesville
City of Highland Park
Village of Lake Barrington
Village of Lake Villa
Village of Lake Zurich
Village of Lakemoor
Village of Libertyville
Village of Lincolnshire
Village of Lindenhurst
Village of Mundelein
City of North Chicago
Village of Riverwoods
Village of Round Lake
Village of Round Lake Beach
Village of Vernon Hills
Village of Waukegan
City of Wauconda
City of Zion

ORGANIZATION OVERVIEW

LAKE COUNTY BOARD OF GOVERNORS

MARVIN BEMBRY*, Regional Director, State Government Affairs (IL, WI, IA, MN) AbbVie, AbbVie
CHUCK BARTELS, Board Member, Lake County Board
DARREN BOUNDY, External Affairs Manager, ComEd
BARRY BURTON, County Administrator, Lake County Administrator’s Office
DARADE COLLINS*, Manager, Community Relations & Economic Development, Nicor Gas
JANET V. DEATHERAGE, Ph.D., Executive Director, Office of Corporate Engagement, Loyola University Chicago
FRANK DEUEL, Senior Manager of Government Affairs, Comcast Cable
GAIL EDGAR, Vice President, Corporate Facilities Services, W.W. Grainger
LARRY FAIR, General Counsel, Miller Canfield
VALERY GALLAGHER, Global Director of Global Government Affairs, Baxter International, Inc.
DEAN GLASSBERG, Executive Vice President, Middle Market Banking, First Midwest Bank
JESSE PETERSON HALL, President, Highland Park Hospital, NorthShore University HealthSystem
BRAD HARPER, Branch Manager, Uline, Inc.
STEVE KERMSCH, National Director, State Government Affairs, Takeda Pharmaceuticals
RICHARD KORENGOLD, VICE CHAIRMAN, Senior Managing Director, Investment Advisory, Mesorow Financial

CHARLES LAMHERE, PAST CHAIRMAN, President & CEO, Van Vlissingen & Company
AARON LAWLOR, Board Chair, Lake County Board
JOSEPH LUNA, CHAIRMAN, Executive Director, Middle Market Banking, Commercial Banking, Chase
GHI DA NEUKIRCH, City Manager, City of Highland Park
BRENT PAXTON, Board Member, Lake County Board
DONOVAN PEPPER, National Director, Local Government Relations, Walgreens Co.
JEFFREY POZEN, TREASURER, President, Jeffrey Pozen Advisory, Inc.
MATTHEW PRIMACK, Vice President, Business Development and Clinical Institutes, Advocate Condell Medical Center
S. MICHAEL RUMMEL, Board Member, Lake County Board
NICK SAUER, Board Member, Lake County Board
MICHAEL H. STEVENS, President & CEO, Lake County Partners
KELLY WATERS, President, Power Up Now
DR. JERRY WEBER, President, College of Lake County
DR. K. MICHAEL WELCH, President and CEO, Rosalind Franklin University of Medicine and Science
WILLIAM WESTERMAN, Senior Vice President, Libertyville Bank & Trust
SUZANNE ZUPEC*, President, Campanella and Sons, Inc.

*Board Service ended in 2015
LET’S DO THIS. TOGETHER.

Lake County Partners is able to provide the extensive services outlined in this report because of the generous support of our investors. To discover how your company can invest in Lake County Partners, benefit from our efforts, and support our work to enhance the business climate in Lake County, visit us at LakeCountyPartners.com.