



Submission by: Loaves & Fishes Community Services, as Sole Member of Loaves & Fishes Property Holdings II, LLC and Loaves & Fishes Property Holdings III, LLC

Exception to City of Aurora Data Center and Warehouse Moratorium

Narrative Regarding Hardship Appeal

Property Addresses: 560 and 580 Exchange Ct., Aurora, IL 60504

Background

Loaves & Fishes Community Services is the largest food pantry in the state of Illinois, serving 10,000 people per week, with over 50% of those people residing in Aurora. Our focus is on providing families in need with healthy food, in order to support better overall health. Food insecurity is considered a public health issue, with a direct correlation between food insecurity and both chronic disease and mental health issues. We also have our CARES Programs which include programs that help families with physical health, mental health, financial health and employment health. Our CARES Programs' focus is to help lead families to self-sufficiency. Our grocery assistance program and our CARES Programs improve the overall general welfare of the communities that we serve.

Our Services to Residents of Aurora

With the opening in 2021 of our new 30,000 square foot Aurora Food Distribution Hub at 580 Exchange Ct. Aurora, we significantly expanded our services to Aurora residents. Prior to opening our Hub, we served approximately 2,100 unique Aurora residents. Our service to Aurora residents has grown by nearly 9 times, as in our fiscal year ended June 30, 2025, we served over 18,700 unique Aurora residents. Because we serve many clients multiple times each year, we provided food to a total of 242,000 Aurora residents (duplicated) in our fiscal year ended June 30, 2025.

Our Aurora Food Distribution Hub has also facilitated the collaboration with a number of other organizations in Aurora, including Rush Copley Medical Center, St. Therese Church, Aurora Interfaith Food Pantry, Marie Wilkinson Food Pantry and others. These collaborations involve co-buying food, sharing food, other program services and the distribution of food to many more Aurora residents and patients in additional locations that enable greater access to healthy food.

Impact of the Aurora Food Distribution Hub

Since opening our Aurora Food Distribution Hub in 2021, we have expanded and scaled our food distribution such that we are serving triple the number of people. Importantly, we have reduced the cost to serve a client by 40%, thereby utilizing community funds more efficiently.

We have expanded access to food through providing multiple ways clients can get food – shopping in our market, online ordering and curbside pre-pack pick-up. Regarding our operations in Aurora, we have added three distribution points in Aurora, and served over 9,200 unique residents last year from just these new distribution points alone.

Objectives of the Expansion of the Aurora Food Distribution Hub

Unfortunately, the need for food in our community has grown substantially over the past several years and is expected to increase due to reductions in SNAP benefits, Medicaid benefits and other economic factors causing an increase in the cost of living. In order to help meet this need and build on the success of our Aurora Food Distribution Hub, Loaves & Fishes is making an \$8 million investment to expand our Aurora Food Distribution Hub by approximately 32,000 square feet. The expanded Hub will help us accomplish the objectives of increasing collaboration with other organizations to source more food at lower cost, and allowing other food pantries to store food at our Hub at no cost – both cold storage and dry storage. In addition, the Hub will facilitate serving 2-3 times the current number of clients and adding more food access points in areas of high need in Aurora.

Expected Timing of the Expansion Project

Loaves & Fishes acquired the land at 560 Exchange Ct in 2023, and for well over a year, we have been working on our development plans for the site. Since officially engaging architects and civil engineers earlier in 2025, we have been expeditiously working on all aspects of the construction. Our site plans have proceeded very well and are virtually complete. We had planned to submit for a shell permit in October 2025 and full permit in November 2025. Thus, we were just about ready to start these submissions to the City when we received news in late September about the Moratorium. Based on prior discussions in our DST meetings regarding the usual permit process and timing, we were expecting to begin the construction work on the expansion project in the Spring of 2026.

IMPACT OF THE MORATORIUM ON DATA CENTERS AND WAREHOUSES

E(i) Economic Hardship

The economic hardship caused by the Moratorium has several aspects to it.

- **Invested capital**
 - Loaves & Fishes has invested \$4.1 million in 560 and 580 Exchange Ct with the clear expectation that, based on existing regulations, we would be able to expand our operations on those combined sites in order to allow us to serve thousands more food insecure people every week.
- **Project costs and execution risk**
 - The costs to construct a building has been increasing significantly over the past several years. The Moratorium will delay the timing of construction and likely will increase the cost to construct the building. With an estimated \$8 million cost to construct the building, even a 5% increase would result in an additional \$400,000 of costs. As a not-for-profit, Loaves & Fishes would have to seek additional external funding through donations from the community to pay for these extra costs, and there is no guarantee that we could arrange such additional donations.
 - If the construction is delayed, there is increased risk that construction materials (for example, steel) could be subject to supply chain issues that are directly impacted by government policies, international trade, etc.
- **Funding risks**
 - Because Loaves & Fishes is a not-for-profit, we need to raise money through new donations in order to fund this significant expansion project. Given the amount we need to raise is \$8 million, we have mapped out a synchronized multi-year timeline for the project construction and raising funds through both a silent and public fundraising campaign. The timeline for raising funds through donations needs work in lockstep with the timeline of the construction and completion of the project, i.e., to be effective, they have to work together in tandem. Delays in the construction due to the Moratorium could significantly impact funding, which could jeopardize the entire expansion project.
 - To date, Loaves & Fishes has raised \$3.3 million in donations and commitments. These funds were raised with the representation of an expected time frame of the construction and opening of the facility. A significant delay in the construction due to the Moratorium could risk some of these commitments.
 - Loaves & Fishes has also applied for several million dollars of grants from government entities and private foundations. In these grants, representations were made regarding the expected time and costs of the project, based on

knowledge of the existing City regulations. A material change in the timing and costs of the project could jeopardize the approval of funding needed to execute the project. For example, in several grants, funding for construction will only occur if the construction costs are spent by certain dates. If those dates are not met, the funding would no longer be available. Missing deadlines in grants could also disqualify us for future grants from these sources. The Moratorium could cost Loaves & Fishes millions of dollars from these funding sources.

- An important source of funding for this project includes New Markets Tax Credits, which will only fund projects that fit a designated timeline. In order to receive such funding, permits for construction need to be received prior to the closing of the funding. The closings for the New Markets Tax Credit deals historically have occurred by March or April, depending on the investor requirements. Therefore, we would need to have obtained our permit by March or April 2026 in order to receive our funding from this important source. We expect to receive at least \$1.3 million from this source. The Moratorium could cost Loaves & Fishes over a million dollar from this funding sources.
- **Community Hardship**
 - Food insecurity is considered by many people to be a public health crisis. Given this acute need for healthy food by so many families in our community, expanding our building in order to serve many more people each week, including thousands of Aurora residents, is imperative to happen as soon as it possibly can. Delaying this project, and perhaps jeopardizing the entire project, as a result of the new Moratorium imposes a significant economic hardship on thousands of residents of the City of Aurora who can't otherwise afford to buy enough food for their families.

E(ii) Return on the Property

Because Loaves & Fishes is a not-for-profit organization, the return on investment on this project would not be measured by the traditional financial measurements that a for profit operating business or real estate investor would use. Instead, the return on this project is better stated in terms of the impact on the community, especially the Aurora community. Today, Loaves & Fishes serves about 10,000 people each week. More than 50% of the people we serve (i.e., over 5,000 people each week) are Aurora residents. The proposed 32,000 square foot expansion to our existing building will allow us to more than double the number of people we serve. This means that we will be able to serve an additional 5,000+ Aurora residents each week. Food insecurity causes physical health issues such as chronic disease and also causes

mental health issues as well, therefore, reducing food insecurity in our community has a substantial benefit to public health and the general welfare of our community.

E(iii) Substantial Investment in the Development and Reliance on Existing Regulations

Loaves & Fishes' investment in 580 Exchange Ct is approximately \$3.7 million and our investment in 560 Exchange Ct is approximately \$0.4 million including the land and development costs to date. Loaves & Fishes acquired 560 Exchange Ct in 2023 because the land was contiguous with our property at 580 Exchange Ct and this allowed us to expand our overall operations to be able to serve a significantly larger number of families in need in our community. The investments in these properties together totals approximately \$3.8 million and were made with clear reliance on the regulations in effect prior to the Moratorium, and were made without any knowledge of pending changes in such regulations. Based on meetings with the Aurora DST team in 2024 and earlier in 2025, we had received all indications that our new building addition would be approved by the City, subject to the usual pre-existing regulations.

In addition to the direct investment of capital in the land and building at 560 and 580 Exchange Ct, Loaves & Fishes has invested hundreds of hours of paid staff time to acquire the properties and plan the construction of the expansion.

E(iv) Allowance Under Pre-existing Zoning Ordinances, Regulations and Rules

Loaves & Fishes adjacent properties at 560 and 580 Exchange Ct., Aurora, are currently zoned M-1 and our existing and proposed use of the properties is already permitted under the current M-1 zoning designation. Thus, our new warehouse addition would have been allowed as a matter of right under pre-existing Zoning Ordinances.

E(v) Compliance with Other Applicable Ordinances, Regulations and Rules

Except for the variance requested with the City on October 24, 2025, regarding certain property line setbacks, the warehouse addition as proposed complies with all other City ordinances, regulations and rules.

EXHIBIT A – Elevation Drawing of the Expanded Building at 560 & 580 Exchange Ct



EXHIBIT B – Site Plan of the Expanded Building at 560 & 580 Exchange Ct

