

February 20, 2026

Update on Proposed Hillwood Data Center Project – Process & Public Participation

Dear Joliet Residents,

The City has received a proposal from Hillwood for the development of a data center campus on approximately 795 acres of property currently outside the City's boundaries. We understand that this proposal has generated questions and interest in the community.

There are two separate processes underway:

Zoning Review (Public Process)

The Developer has applied for rezoning of the property to an I-1 (Light Industrial) District and a Preliminary Planned Unit Development to allow data center facilities with associated electric substations. The zoning process addresses land use matters such as building size, traffic impacts, noise mitigation, environmental considerations, and infrastructure capacity. The developer will be required to obtain City Council approval of a Final Planned Unit Development plat for each phase of development, before building permits for data center buildings are issued.

All zoning applications and materials will be publicly available, and public hearings will be held before the Plan Commission and City Council before any decision is made. This is the appropriate forum for community input on land use issues.

Annexation & Development Agreement (Negotiated Terms)

The City is also negotiating an annexation and development agreement that would bring the property into the City. This agreement will address:

- Infrastructure responsibilities and roadway improvements
- Water and sewer service, including usage limits to protect City resources
- Community benefit contributions to offset impacts on public services and infrastructure
- Development fees and charges
- Traffic study requirements
- Emergency services planning
- Construction standards and timelines
- Ongoing maintenance obligations
- Negotiations are ongoing. It is standard practice for municipalities to negotiate these agreements privately until final terms are reached. Negotiating draft agreements publicly can weaken the City's position and create confusion as terms evolve.

Transparency remains a priority. Before any final vote:

- The proposed annexation and development agreement will be publicly released with adequate time for review
- A public hearing will be held
- The City Council will consider the matter in open session

What the City Is Protecting

We are carefully evaluating issues of community concern, including:

- **Water use:** The agreement under negotiation includes limits on water consumption and the use of City water for evaporative cooling
- **Infrastructure impacts:** Responsibility for roadway improvements and design infrastructure to serve regional needs
- **Fiscal terms:** The City is negotiating appropriate community benefit payments, development fees, and other ongoing fee obligations
- **Emergency services:** An Emergency Services Plan addressing fire suppression, hazardous materials, and community impact would be required before any permits are issued
- **Accountability:** The Developer may be required to establish a property owners' association with City enforcement rights and post letters of credit as security

Updates and hearing dates will be posted on the City's website as they become available.

Sincerely,

City of Joliet