Gov. Pritzker Announces $15.4 Million In Rebuild Illinois Capital Funding To Boost Wet Lab Development

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CHICAGO – Governor JB Pritzker today joined the Illinois Department of Commerce and Economic Opportunity (DCEO) to announce a $15.4 million investment in the

Rebuild Illinois funded Wet Lab Capital program to support 8 new wet lab spaces throughout Illinois – helping to make way for advancements in research and medicine, grow startups and make Illinois more competitive in life sciences.

Wet labs are where cutting-edge research in life sciences occurs and represent a critical component of research and development for companies in biotechnology, pharmaceuticals/medicines, medical devices and diagnostics, research and manufacturing organizations, and more. Wet lab space is customized with ventilation and other infrastructure needed to handle chemicals and materials commonly associated with biotech research.

The Governor also announced a $5 million capital grant to expand the Illinois Institute of Technology's (IIT) microgrid to optimize energy at the Bronzeville campus. The expansion will yield $200,000 a year in energy savings and on-campus renewable energy generation, as well as savings from reduced outages, damage, and lost experimental productivity.

"Last year, my administration launched a Wet Lab Capital program to meet the technical needs of startups, incubators, and universities across the state," said Governor JB Pritzker. "Today, after receiving so many brilliant applications from project developers across Illinois, I am excited to announce $15.4 million in grants that is funding $90 million worth of wet lab expansions throughout Illinois –in Chicago but also at both of Southern Illinois University's campuses, at Rosalind Franklin University in the heart of Illinois' biopharma ecosystem in northern Illinois, and at life science hubs up and down the state."

The State will leverage $15.4 million in Wet Lab Capital to generate nearly $90 million total in new investment for modern research facilities in communities across Illinois. The Wet Lab Capital program was first launched last year by the Governor, delivering on a key priority in the state's 5-year economic growth plan. While Illinois remains a leading destination for biotech and research, additional investments are necessary to provide innovative companies access to lab space so they can continue to grow in Illinois. The Wet Lab Capital program is an initiative to boost public/private investments and to increase access to modern lab space.

"As we've seen over the past year, innovations to expand research in life sciences as well as technologies that strengthen grid resilience play a critical role in our communities – and it will play a crucial role in our economic recovery as well," said DCEO Acting Director Sylvia Garcia. "DCEO is proud to award funds to support 8 new wet lab projects that will help bolster medical research and R&D – while also supporting advancements at IIT that create sustainable new sources of energy for our communities. Under Governor Pritzker's leadership, Illinois continues to bring forward

important investments in 21st century infrastructure that will create jobs and keep our communities competitive in today's 21st century economy."

Wet Lab Capital grants will support the development of new public and private wet lab spaces, with projects at the state's top universities and at neighborhood incubators, expansions and improvements of existing space and the creation of new lab spaces in all parts of the state. Funded projects include:

- Back of the Yards Algae Sciences LLC, $250,000.00
- Illinois Institute of Technology, $1,499,569.00
- Northwestern University, $3,000,000.00
- NuMat Technologies, $3,500,000.00
- Rosalind Franklin University of Medicine and Science, $2,007,000.00
- Southern Illinois University Carbondale, $2,734,008.00
- Southern Illinois University Edwardsville, $1,875,569.00
- University of Illinois Research Park LLC, $550,000.00

Illinois is home to one of the fastest-growing life sciences startup clusters, fueled by an influx of venture investment and growth of our wet lab infrastructure," said John Conrad, President & CEO of iBIO. "Governor Pritzker's leadership with the Illinois Department of Commerce and Economic Opportunity on the Wet Lab Capital Program will provide critical investments to support the continued growth of our industry in Illinois."

Today's announcement was made at IIT, home to investments in the microgrid, as well as a new Wet Lab Capital Grant that will be used to develop the Functional Neural Technology Center (FNTC). The FNTC will enhance regional capabilities to attract, support, and facilitate growth of small businesses, startups, entrepreneurs, and university collaborators who are part of a rapidly growing "Neurotech" sector of the life science industrial base. Wet lab capital grant funds will redevelop over 2,770 square feet, outfitting a multi-tenant laboratory space that will be used in research conducted to help manage chronic conditions affecting the brain and nervous system.

Also, the Illinois Tech Microgrid project will provide campus-wide coverage to the University with this investment, ensuring all four-blocks of campus receive constant power delivery, minimizing time without power, lost productivity, and ruined experiments in the event of fault and outages. The microgrid is not only a reliable and resilient energy system, but it also demonstrates the positive economic impact of investments in sustainable technologies. Continued support for innovative technologies like Illinois Tech's microgrid adds to Governor Pritzker's goal of reaching 100% clean energy by 2050.

“As Chicago’s only tech-focused university, the intellectual capital embodied by our faculty and researchers will help make Illinois Tech a hub for life sciences startups throughout the region and around the globe,” said Raj Echambadi, president of Illinois Tech. “The Functional Neural Technology Center and its Neural Tissue and Organoid Innovation Laboratory will help bring leading advances in neurotechnology to the heart of Bronzeville, making Illinois Tech and the South Side of Chicago the epicenter for the development of new medical devices, emerging therapies, and novel treatments that promise to change how we think about the human brain.”

While Illinois is home to the nation’s second-largest biopharma concentration, a portfolio of universities putting Illinois at top five in the nation for chemistry R&D, and over 58,000 life sciences companies statewide – additional lab space is needed to support continued growth. A recent report by CBRE finds that lab space is on the rise, with over 1 million square feet of Class A lab space delivered or under construction in Chicago alone. This increase in lab space has accompanied leading growth in venture capital funding of Illinois-based life sciences startups, including nearly half a billion dollars in new venture capital investment in Chicago area life sciences startups in the first quarter of this year alone.

“We’re proud to partner with the state of Illinois on our vision for the Innovation and Research Park, which is establishing itself as a regional hub for healthcare innovation and entrepreneurship,” said Dr. Wendy Rheault, president and CEO of Rosalind Franklin University. “The DCEO is helping us propel a development that will have a significant economic regional impact. Working together in public/private partnership, we’re building a research enterprise that will benefit our university, our communities and our region for generations to come.”

“Southern Illinois University Carbondale is honored to receive a Wet Lab grant from the IDCEO,” said SIU Chancellor Austin A. Lane. “We will use the funding to develop the BioLaunch Core Facility, a multi-disciplinary program providing customized lab services and business development assistance to emerging and expanding biotechnology and value-added agriculture businesses. As an initiative of the Fermentation Science Institute, the Research Park, and the Vice Chancellor for Research, BioLaunch will provide a unique opportunity for the intersection of university research and company product development that results in job creation, workforce development and business expansion in the region and throughout Illinois.

“Labs are hard to move, in scarce supply in the Midwest, and require scientific talent – which are in strong supply in Champaign-Urbana, especially at the Research Park,” said Laura Frerichs, executive director of the Research Park and EnterpriseWorks. “The investment from the State of Illinois will support new construction of specialized facilities to advance life science technology companies at the University of Illinois

Research Park. The new project, LabWorks will add an important wet lab addition to the Research Park to ensure that homegrown life science and agriculture companies scale and thrive in Central Illinois.”

All Wet Lab capital projects underwent a competitive review, with the highest-scoring projects selected based on a demonstrated ability to expand Illinois-based research and manufacturing, support development in life sciences and related industries, and create a pipeline for Illinois residents to enter the life sciences industry. Projects must adhere to all State of Illinois requirements as part of the Business Enterprise Program (BEP).

"I am excited to see that Illinois is further advancing our role in functional science and technology with the development of these wet labs," said State Senator Mattie Hunter (D-Chicago). "I am proud that the Illinois Institute of Technology, which falls in the district I represent, will house a new Functional Neural Technology Center, which will allow for major growth for small businesses while nurturing emerging sectors of life science."

Today, the life sciences industry powers an estimated 717,000 jobs in the state, with jobs in this sector estimated to provide wages 120 percent higher than that of the average Illinois wage. The Wet Lab Capital Program builds on ongoing work by the administration to support the growth of biotech startups – including expansion of the research and development tax credit for innovators and other tools to attract investment by early-stage companies.