



Illinois Department of Commerce & Economic Opportunity

Pat Quinn, Governor • Warren Ribley, Director

September 30, 2011

Dear Members of the General Assembly:

The enclosed information fulfills the statutory directive that the Illinois Department of Commerce and Economic Opportunity (DCEO) report annually to the members of the Illinois General Assembly on the status of the Illinois River Edge Redevelopment Program.

DCEO has designated four cities – Aurora, East St. Louis, Elgin and Rockford – as River Edge Redevelopment Zones. The purpose of the River Edge Redevelopment Program is to revive and redevelop environmentally challenged properties adjacent to rivers in Illinois.

On July 27, 2011, Governor Pat Quinn signed a law to help redevelop and revitalize the area around the city of Peoria's riverfront by allowing the area to be designated as a River Edge Redevelopment Zone. The law also provides a state tax credit of 25 percent of the amount of the eligible expenditures for the restoration and preservation of historic structures located in River Edge Redevelopment Zones.

I trust that you will find this 2011 River Edge Redevelopment Zone Report useful.

Sincerely,

Warren Ribley
Director

www.idceo.net

500 East Monroe
Springfield, Illinois 62701-1615
217/782-7500 • TDD: 800/785-6055

James R. Thompson Center
100 West Randolph Street, Suite 3-400
Chicago, Illinois 60601-3219
312/614-7179 • TDD: 800/785-6055

2309 West Main, Suite 118
Marion, Illinois 62959-1180
618/997-4394 • TDD: 800/785-6055

River Edge Redevelopment Zone Program 2011 Annual Report

The River Edge Redevelopment Zone is an innovative pilot program designed to help revitalize riverfront areas by providing local developers and businesses with the critical tools to revive and redevelop abandoned or contaminated properties that will stimulate economic development opportunities and create more Illinois jobs. The River Edge Redevelopment Initiative includes the designation of redevelopment zones that are eligible to receive tax credits, exemptions and new grant funding to support clean-up, remediation and redevelopment efforts that will lead to economic revitalization in these areas. This initiative combines resources across state agencies and is administered primarily by the Illinois Department of Commerce and Economic Opportunity (DCEO) and the Illinois Environmental Protection Agency (IEPA).

Implementation Status

DCEO has designated zones in the cities of Aurora, East St. Louis, Elgin and Rockford.

Aurora Zone

The City of Aurora River Edge Redevelopment Zone consists of former industrial land lining its east and west riverfronts that have tremendous economic development potential, but the costs of redevelopment have made attracting investment extremely difficult. On July 15, 2011, groundbreaking began on the construction of public areas that will create a downtown park and public space that will support redevelopment.

The City's website says this about the park:

"RiverEdge Park will create stunningly beautiful entertainment, recreational and natural amenities along both banks of the Fox River. The Park's appeal, as a unique venue and destination, will provide a powerful catalyst for investment and continued development in our downtown and beyond. RiverEdge Park represents a strong collaborative effort between the public and private sectors, including business people, environmental advocates, developers and community members."

East St. Louis Zone

The City of East St. Louis River Edge Redevelopment Zone is adjacent to the Mississippi River. In 2010, the City added the Goose Hill neighborhood to the zone. The East St. Louis Riverfront is a unique area because of its unparalleled location directly across the river from the Gateway Arch.

On October 14, 2010, Governor Pat Quinn announced \$8 million to redevelop a former industrial site on the Mississippi River to clear the way to build the Port of East St. Louis and help another local company expand. The city of East St. Louis will receive a \$5 million River Edge Development Zone grant to construct infrastructure to support development of the port. In addition, Slay Industries will receive \$2 million to develop the port. When completed, the port

will support increased commercial traffic on the Mississippi River, boost the regional economy, and relieve traffic and rail congestion across the Midwest. As part of the redevelopment package, Tank Trailer Cleaning received a \$1 million grant that will allow it to raze and clear an existing site. The company is located in the Goose Hill area of East St. Louis.

Elgin Zone

In the City of Elgin, River Edge will provide a critical tool to further the redevelopment of the City's downtown and create new economic opportunities along the Fox River. On October 8, 2010, Governor Pat Quinn announced that the state will provide an \$8 million River Edge Redevelopment grant to the City of Elgin to enable the city to continue moving forward with the long-planned revitalization of Elgin's riverfront. The project will create an urban riverfront plaza.

Rockford Zone

In Rockford, River Edge will allow for multiple redevelopments using abandoned industrial sites along the Rock River. On October 8, 2010, Governor Pat Quinn announced a plan to provide \$8 million for a variety of projects along the riverfront to address blight and spur economic development.

Effectiveness

During State Fiscal Year 2011, according to reports submitted by these four cities, private investments of approximately \$7 million in these designated zones will result in the projected creation and retention of 284 jobs. Although other factors are undoubtedly involved, RERZ designation can play an important role in a decision by a business to locate or expand.

Proposed New Legislation

DCEO is not proposing any new legislation at this time.