



## **River Edge Redevelopment Zone Program Evaluation Report December 31, 2009**

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

In 2007, DCEO designated zones in the cities of Aurora, East St. Louis and Rockford. In 2009, DCEO designated the City of Elgin as a zone.

#### 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 difficult.

#### East St. Louis Zone

The City of East St. Louis River Edge Redevelopment Zone is adjacent to the Mississippi River. The East St. Louis Riverfront is a unique area because of its unparalleled location directly across the river from the Gateway Arch.

#### Rockford Zone

In the City of Rockford, River Edge will allow for multiple redevelopments using abandoned industrial sites along the Rock River, creating both recreational and residential development spaces.

#### 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.

Internet Address <http://www.commerce.state.il.us>

620 East Adams Street  
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  
312/814-7179  
TDD: 800/785-6055

2309 West Main, Suite 118  
Marion, Illinois 62959-1180

618/997-4394  
TDD: 800/785-6055



Effectiveness

From Fiscal Year 2007 through Fiscal Year 2009, according to reports submitted by these three zones, investments of more than \$31 million in these designated zones will result in the projected creation and retention of 222 jobs.

For example, on September 15, 2009, Wanxiang America broke ground on its solar panel facility in the Rockford Global Trade Park, which is part of the Rockford RERZ. Phase one includes a 40,000 square foot space and 60 workers. In the future, the facility could expand to 160,000 square feet and 200 employees.

Other highlights:

- The City of Aurora has been successful in applying for \$700,000 under the IEPA Municipal Brownfield Grant program to begin work on public areas that will create a downtown park and public space that will support development and redevelopment.
- The IEPA and DCEO staff in conjunction with the City of East St. Louis is meeting with potential developers that are showing interest in redevelopment in the downtown area. Due in part to the zone creation, grant funding is being provided to IEPA to do Lead Awareness in the East St. Louis area.
- There have been six Designated Zone Organization (DZO) certified by DCEO in City of Rockford. These DZOs have taken on projects that will assist in the expansion of museums, redevelop housing, provide for homeless individuals and families, and assist Rockford area social service activities.

Conclusion

It is difficult to fully evaluate the effectiveness of this program given the short amount of time that it has been operational, and more important, given that a key resource for zone redevelopment - grant funds from the Illinois Department of Commerce and Economic Opportunity that had been earmarked for the zones – was not available during this time period. But given the initial early success, considering the limited resources, we have concluded with more time and resources the River Edge Redevelopment Program will become one of the State's most successful economic development tools.