

- FOR RECORDER'S USE -

ORDINANCE NO. 619

**AN ORDINANCE AMENDING "THE OFFICIAL ZONING ORDINANCE" KNOWN AS
ORDINANCE 506 AND AMENDMENTS THERETO KNOWN AS ORDINANCE 530, OF
THE VILLAGE OF ELWOOD, WILL COUNTY, ILLINOIS**

Prepared by and return to: LAW OFFICES OF EDWARD P. GRAHAM, LTD., 1112 South
Washington Street, Suite 212, Naperville, IL 60540

ORDINANCE 619

**AN ORDINANCE AMENDING
"THE OFFICIAL ZONING ORDINANCE"
KNOWN AS ORDINANCE 506 AND AMENDMENTS THERETO
KNOWN AS ORDINANCE 530,
OF THE VILLAGE OF ELWOOD
WILL COUNTY, ILLINOIS**

WHEREAS, the Village of Elwood, Will County, Illinois, is a home rule municipal corporation of the State of Illinois exercising powers granted to it by the Constitution and laws of the State of Illinois; and

WHEREAS, pursuant to the provisions of the Illinois Municipal Code, as amended, and Village's home rule powers, the Village has heretofore enacted an ordinance known as, "The Official Zoning Ordinance" of the Village of Elwood, Ordinance No. 506 (the "Zoning Ordinance"); and

WHEREAS, the Zoning Ordinance has been amended from time to time; and

WHEREAS, CenterPoint Properties Trust, a Maryland Real Estate Investment Trust, has heretofore filed a petition for a text amendment to the Zoning Ordinance requesting the establishment of a new zoning classification to be called, "Large Scale Industrial Planned Development District (I-4)"; and

WHEREAS, the Plan Commission of the Village, being the body duly designated by statute and ordinance has heretofore conducted a Public Hearing on the application for text amendment; and

WHEREAS, notice of said public hearing was given and published as required by law and the Ordinances of the Village and the said public hearing was conducted in a manner conforming to law; and

WHEREAS, the Plan Commission has duly submitted its report and recommendations to the corporate authorities of the Village recommending approval of the application; and

WHEREAS, the corporate authorities of the Village have considered the same; and

WHEREAS, the corporate authorities of the Village deem it to be in the best interest of the Village to amend the Official Zoning Ordinance of the Village to establish a new zoning district to be known as Large Scale Industrial Planned Development District (I-4);

NOW THEREFORE, BE IT ORDAINED by the Village President and the Board of Trustees of the Village of Elwood, Will County, Illinois, as follows:

Section 1. The following language will be added to the Village of Elwood Zoning Ordinance No. 506, as amended by Ordinance No. 530 as follows:

I-4 - Large Scale Industrial Planned Development District

I. Purpose:

The purpose of a Large Scale Industrial Planned Development is to permit:

1. Large-scale industrial development that would not be possible under the strict application of the other sections of this ordinance.
2. A creative approach to the use of land and related physical facilities that results in better development and design.
3. An efficient use of the land resulting in more economic networks of utilities, streets, and other facilities.
4. A land use which promotes the public health, safety, comfort, morals, and welfare.
5. Developers of large-scale and complex industrial projects to have the flexibility to complete those projects.

The I-4 District is intended to provide for large-scale developments incorporating a variety of industrial, manufacturing, intermodal rail, commercial or business uses which are planned and developed as a unit or in multiple phases. Such development may consist of conventional subdivided lots or provide for development by a special industrial planned development Concept Plan which establishes the general location and extent of the features of the special industrial planned unit development.

II. Minimum Land Area: A Large Scale Industrial Planned Development shall be approved only on contiguous parcels of 1500 acres or more, under single ownership or unified development control, subject to an overall site development plan.

III. Allowable Uses:

A. Category A: Intermodal and related uses.

Permitted Uses:

1. Intermodal, rail and truck facilities, including switching yards, freight yards, maintenance facilities, buildings customarily accessory to a railroad yard; outdoor and indoor storage of motor vehicles, freight, and materials.
2. Uses specified as either permitted or special uses in the I-2 Industrial District.
3. Uses and buildings accessory to the foregoing.
4. Governmental offices and facilities.
5. Public or private utilities, including, but not limited to water wells, water treatment plants, pumping stations, sewage treatment plants, lift stations, electric power generation plants, substations and facilities necessarily accessory thereto.

B. Category B: Industrial Park Uses.

Permitted Uses:

1. Industrial warehouse and distribution facilities.
2. Office uses.
3. Light manufacturing and assembly.
4. Uses and buildings accessory to the foregoing.

Conditional Uses:

1. Hotels and motels.
2. Gasolines service stations, including truck stops with sleeping facilities, restaurants and retail uses.
3. Restaurants, including fast food restaurants with drive-through facilities.
4. Banks or other financial institutions with drive-up facilities and automatic teller machines (ATM).
5. Governmental offices and facilities.
6. Public or private recreation facilities, including parks.

7. Public or private utilities, including, but not limited to water wells, water treatment plants, pumping stations, sewage treatment plants, lift stations, electric power generation plants, substations and facilities necessarily accessory thereto.
8. Business uses as set forth as permitted or special uses in C-1 and C-2 Districts.

C. Category C: Residential Protection Zone.

Permitted Uses:

1. Industrial warehouse and distribution facilities.
2. Office uses.
3. Light manufacturing and assembly.
4. Hotels and Motels.
5. Restaurants, including fast-food restaurants with drive-through facilities.
6. Business uses as set forth as permitted or special uses in the C-1 Local Shopping Center District except residential uses.
7. Banks or other financial institutions with drive-up facilities and automatic teller machines (ATM).
8. Government offices and facilities.
9. Public or private recreation facilities, including parks.
10. Public or private utilities but specifically excluding water treatment plants, sewage treatment plants, electric power generation plants.
11. Uses and buildings accessory to the foregoing.

IV. Site and Structure Requirements:

- A. Minimum lot area: No minimum lot area is established in this District. However, lot dimensions shall be sufficient to meet the remaining density and dimensional regulations.

- B. Minimum lot width: 150 feet

- C. Building Setback Requirements:

Front yard: not less than 40 feet, if the maximum building height does not exceed 35 feet (exclusive of towers, lift equipment, HVAC and similar facilities). For buildings with a height in excess of 35 feet, the front yard setback shall be increased by one foot for each additional two feet of building height, to a maximum of one hundred (100) feet.

Side yard - 10 feet

Rear yard - 10 feet

Exception: Building setback requirements described above for side and rear yards adjacent to a railroad siding shall not be applicable.

- D. Green space requirement: All lots or parcels shall have a front yard green space in which no improvements other than landscaping shall be permitted (utility pedestals and boxes and underground utilities shall not be prohibited by this requirement).

Green space setback:

Along primary roadways as designated in the concept plan the green space setback shall be thirty (30) feet.

Along all other public and private roadways in the development the green space setback shall be ten (10) feet

Green space Landscaping:

At least fifty percent of the required front yard green space area shall be landscaped with trees, shrubs. The remainder of the required area may be landscaped with turf grass or other ground covers approved by the Village. Wherever practical, berms should be used in conjunction with the landscaping.

E. Maximum lot coverage.

Maximum lot coverage permitted in this category shall be subject only to compliance with the bulk regulations and set backs herein specified.

F. Adjacency to a Residential District: Where any yard in this District abuts an existing residential zoning district, no building shall be erected within 50 feet of the residential lot line if the building height does not exceed 35 feet. For buildings with a height in excess of 35 feet, the setback from a residential lot line shall be increased by one foot for each additional two feet of building height, to a maximum of one hundred (100) feet.

G. Adjacency to Maple Hill Cemetery - Where any yard in this district abuts the property line of Maple Hill Cemetery, no building or structure shall be erected within eighty (80) feet of the cemetery's property line.

H. Exception for Category A Uses - Category A Uses (as shown on an approved Concept Plan) shall not be subject to any setback regulations set forth herein, except for the residential district setback.

I. Other regulations and standards.

1. Off-Street Parking and Loading

Off-street parking and loading shall be provided in accordance with Section 8 of the Zoning Ordinance.

2. Landscaping Requirements.

General: The perimeter of all Large Scale Industrial Planned Developments shall be landscaped with a berm, seeded or sodded and improved with trees and shrubs if adjacent to any property either zoned for residential use or improved with an occupied residence within 250 feet of any property line of the large scale industrial planned development.

Category A: No landscaping required except that the Village may reasonably require perimeter berms or landscaping to screen such areas from adjacent residential property, public rights-of-way, or other roadways.

Category B: (a) Green space requirement as per paragraph D above. There shall be a minimum 10 foot landscaped area adjacent to any

public or private roads. The landscape buffer provided herein may be included in any calculation of the minimum front yard on any lot. The landscape buffer area shall be landscaped with trees, shrubs or other natural plant material.

(b) All building entryways shall be landscaped with trees or shrubs.

(c) All foundation areas shall be landscaped.

Category C: (a) All areas within Category C shall be landscaped in accordance with the requirements applicable to Category B above.

(b) All parking areas in Category C shall be landscaped in accordance with the following:

Curbed, landscaped islands shall be provided at the end of each parking row. No more than twenty (20) adjacent parking spaces shall be located in a single parking row without a landscaped island.

Islands or medians shall be a minimum of six (6) feet in width as measured from back of curb to back of curb.

Islands or medians shall be landscaped with trees, shrubs and other ground covers or turf grass. Shrubs and ground covers shall have a maximum height of thirty (30) inches.

3. Sidewalks: shall be not required in the Category A or Category B subdistricts except on primary or secondary roadways.

4. Declaration of Covenants, Conditions and Restrictions.

Contemporaneous with the approval of any final plat of subdivision in a Large Scale Industrial Planned Development, the owner and developer shall prepare and record a declaration of covenants, conditions, easement and restrictions for that portion of the development, providing, *inter alia*, for a property owner's association (which may be an addition to an existing association) with authority to impose assessments for maintenance and improvements within the platted area.

V. Approval Process

Procedure: A Large Scale Industrial Planned Development shall be granted in accord with the following procedures and may depart from the normal procedures, standards, and other requirements of this ordinance. Applications shall be accompanied by the required plats and documents.

- A. Pre-Hearing Procedure, Conference;** Prior to the filing of an application for approval of a Large Scale Industrial Planned Development, the developer shall request an informal meeting with the Plan Commission to discuss the conceptual development of the land in conjunction with the Village land use plan. The pre-hearing conference is mandatory but does not require formal application, fee, or filing of a Concept Plan.
- B. Concept Plan:** A Concept Plan for a Large Scale Industrial Planned Development shall be submitted to the President and Board of Trustees, who shall refer same to the Plan Commission for public hearing, report, and recommendation as to whether or not the President and Board of Trustees shall grant approval.

1. Concept Plan Requirements:

The Concept Plan shall include, at a minimum, the following information and data:

- a. Boundaries delineating each Use Category (A, B, or C) and the proposed limits of each category on the subject property.
- b. Primary and Secondary roadways, whether public or private, shall be delineated on the concept plan and labeled as "primary" or "secondary". Local roads or access road need not be shown.
- c. Any planned permanent open space or conservation areas should be delineated on the concept plan.
- d. Any other improvements necessary to portray the overall concept and guide the preliminary and final plats and plans should be shown on the concept plan.

2. Concept Plan Procedure:

- a. The Plan Commission shall hold a public hearing on the application, giving notice of the time and place not more than thirty (30) nor less than fifteen (15) days before the hearing publishing a notice thereof at least once in newspaper published or having general circulation within the Village.

- b. Copies of the Concept Plan and supporting data shall be submitted to the Village Engineer and Village Planner for certification as to conformity with these regulations, recommendations, and suggestions regarding the overall design, if any.
- c. Following the public hearing and review of the Concept Plan and supporting data for conformity to these regulations, the Plan Commission shall, within thirty (30) days recommend approval, modification, or disapprove and the reasons therefor, to the President and Village Board.
- d. As a condition to the approval of the Concept Plan, the Plan Commission shall set forth in a separate communication to the President and Board of Trustees, findings of fact, on which they base the approval.
- e. The President and Board of Trustees after receipt of the Concept Plan from the Plan Commission, shall approve, modify, or disapprove. In the case of approval, or approve with modification, the Village Board shall pass an ordinance approving the Concept Plan and indicate their approval upon the plat, and arrange zoning modifications as necessary. The Village Board may require such special conditions as they may deem necessary to insure conformance with the intent of Comprehensive Plan, and the stated purposes of this zoning district.
- f. Approval of a Concept Plan shall not constitute approval of the final plan. Rather it shall be deemed an expression of approval to the design concept and site submitted on the Concept Plan and a guide to the preparation of the final plat which will be submitted for approval of the Village and subsequent recording upon the fulfillment of the requirements of these regulations and conditions of the preliminary approval, if any. Preliminary and Final Plats shall be approved if they conform to the purpose and intent of the Concept Plan.
- g. A preliminary and final plat may be filed and approved simultaneously.

C. Preliminary Plat

1. Preliminary Plat Requirements:

The Preliminary Plat shall conform substantially with the approved Concept Plan. The Preliminary Plat Requirements for a Large Scale Planned Industrial Development shall be the same as those established in Ordinance 507, "An Ordinance Establishing Subdivision and Development Regulations of the Village of

Elwood, Will County, Illinois except that, in addition, to these requirements, the applicant shall submit a preliminary landscape plan.

2. Preliminary Plat Procedure:

The Preliminary Plat Procedure for a Large Scale Planned Industrial Development shall be the same as those established in Ordinance 507, "An Ordinance Establishing Subdivision and Development Regulations of the Village of Elwood, Will County, Illinois.

D. Final Plat and Final Engineering Plan

1. Final Plat and Final Engineering Plan Requirements:

The Final Plat and Final Engineering Plan shall conform substantially with the approved Concept Plan and approved Preliminary Plat. The Final Plat and Final Engineering Plan Requirements for a Large Scale Planned Industrial Development shall be the same as those established in Ordinance 507, "An Ordinance Establishing Subdivision and Development Regulations of the Village of Elwood, Will County, Illinois.

2. Final Plat and Final Engineering Plan Procedure:

The Final Plat and Final Engineering Plan Procedure for a Large Scale Planned Industrial Development shall be the same as those established in Ordinance 507, "An Ordinance Establishing Subdivision and Development Regulations of the Village of Elwood, Will County, Illinois.

VI. Changes in the Large Scale Industrial Planned Unit Development:

The Large Scale Industrial Planned Development project shall be developed only according to the approved Final Plat and Final Engineering Plans and all supporting data. The Concept Plan, Preliminary Plat, Final Plat and supporting data, together with all recorded amendments shall be binding on applicant, their successors, grantees, and assigns and shall limit and control the use of premises and location of structures in the Large Scale Industrial Planned Development.

- A. Major Changes. Changes which materially alter the concept or intent of the development may be approved only by submission of a new Preliminary Plat and supporting data and following the "preliminary approval" steps and subsequent amendment of the Concept Plan and Preliminary Plat.

All changes to the final plat shall be recorded with the County Recorder of Deeds as amendments to the final plat or reflected in the recording of a new "corrected final plat."

- B. Minor Changes: The Village Board may approve minor changes, errors, or omissions, in the development which do not change the concept or intent of the development, without going through the "preliminary approval" steps. Minor changes shall be any change which are not material change to the concept or intent of the development.

VII. Findings Required

The Plan Commission shall provide findings of fact setting forth the reasons for its recommendation, and as findings shall set forth with particularity in which respects the proposal would serve the public interest including but not limited to findings of fact on the following:

- A. The extent to which the proposed plan is consistent with the stated purpose of the Large Scale Industrial Planned Development regulations.
- B. The extent to which the proposed plan meets the requirements and standards of this zoning district.
- C. The physical design of the proposed plan and the manner in which said design makes adequate provision for public services and provides adequate control over vehicular traffic.
- D. The relationship and compatibility of the proposed plan to the adjacent properties and neighborhood.
- E. The desirability of the proposed plan to physical development, tax base and economic well-being of the entire community.

X. Conditions and Guarantees

Prior to the approval of a Concept Plan, the Plan Commission may recommend, and the Village Board may stipulate, such conditions and restrictions upon the establishment, location, design, layout, height, density, construction, maintenance, aesthetics, operation and other elements of the special industrial planned unit development as deemed necessary for the protection of the public interest, improvement of the development, protection of the adjacent area, and to secure compliance with the standards specified. In all cases in which a Large Scale Industrial Planned development is granted, the Village Board shall require such evidence and guarantees as are appropriate to insure compliance with the conditions set forth in the development approval.

Section 2. The Village Clerk is hereby directed to record with the Recorder of Deeds and to file with the County Clerk a certified copy of this Ordinance.

Section 3. All Ordinances of the Village of Elwood inconsistent herewith, to the extent of such inconsistency and no further, are hereby repealed upon the effective date hereof.

Section 4. Should any Section, Subsection or other provision of this Ordinance for any reason be held invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not effect the validity of the Ordinance as a whole or any part not declared invalid.

Section 5. The Village Clerk is hereby authorized and directed to publish this Ordinance, by publication in pamphlet form for general distribution in the manner provided by law.

Section 6. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form as provided by law.

PASSED BY THE VILLAGE BOARD of the Village of Elwood, Illinois at a meeting held on the 5TH day of JULY, 2000, and approved by me as Village President.

AYES: 6
NAYS: 0
ABSENT: 0

PASSED and APPROVED this 5TH day of JULY, 2000.


JAMES CLEMENTI, Village President

ATTEST:


PATRICIA BUCHENAU, Village Clerk



PASSED: This 5TH day of JULY, 2000.

APPROVED: This 5TH day of JULY, 2000.

PUBLISHED: This 45TH day of JULY, 2000.

CERTIFICATE

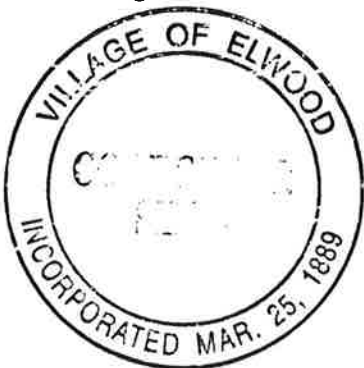
I, Patricia L. Buchenau, DO HEREBY CERTIFY THAT I am the Village Clerk for the Village of Elwood, Will County, Illinois and as such Officer, I have the lawful power and duty to keep a record of all proceedings of the Village Board of Trustees of said Village, and of all Ordinances and Resolutions presented to or passed by said Village Board of Trustees.

I DO HEREBY FURTHER CERTIFY that the foregoing document is a true, correct and complete copy of:

**ORDINANCE NO. 619
AN ORDINANCE AMENDING "THE OFFICIAL
ZONING ORDINANCE" KNOWN AS ORDINANCE
506 AND AMENDMENTS THERETO KNOWN AS
ORDINANCE 530, OF THE VILLAGE OF ELWOOD,
WILL COUNTY, ILLINOIS**

Which was approved on July 5, 2000, is now on file in my office and that the proceedings of the Village Board of Trustees at the meeting duly called and held on July 5, 2000 were in accordance with applicable laws, at which a quorum was present and acting throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of the Village of Elwood, in the State of Illinois this 21st day of July 2000.



Patricia L. Buchenau
Patricia L. Buchenau
Village Clerk

- FOR RECORDER'S USE -

ORDINANCE NO. 620

**AN ORDINANCE AMENDING THE ZONING MAP FOR THE VILLAGE OF ELWOOD
REZONING CERTAIN PROPERTY KNOWN AS THE CENTERPOINT PROPERTY
FROM A-1 (WILL COUNTY) TO I-4 LARGE SCALE INDUSTRIAL PLANNED
DEVELOPMENT DISTRICT**

Prepared by and return to: LAW OFFICES OF EDWARD P. GRAHAM, LTD., 1112 South
Washington Street, Suite 212, Naperville, IL 60540

ORDINANCE NO. 620

**AN ORDINANCE
AMENDING THE ZONING MAP FOR THE VILLAGE OF ELWOOD
REZONING CERTAIN PROPERTY KNOWN AS
THE CENTERPOINT PROPERTY
FROM A-1 (WILL COUNTY) TO I-4
LARGE SCALE INDUSTRIAL PLANNED DEVELOPMENT DISTRICT**

**PASSED AND APPROVED BY
THE PRESIDENT AND BOARD OF TRUSTEES
THE 5th DAY OF JULY, 2000**

Published in pamphlet form by authority
of the corporate authorities of the
Village of Elwood, Will County, Illinois,
the _____ day of _____, 2000.

ORDINANCE NO. 620

AN ORDINANCE
AMENDING THE ZONING MAP FOR THE VILLAGE OF ELWOOD
REZONING CERTAIN PROPERTY KNOWN AS
THE CENTERPOINT PROPERTY
FROM A-1 (WILL COUNTY) TO I-4
LARGE SCALE INDUSTRIAL PLANNED DEVELOPMENT DISTRICT

WHEREAS, a duly noticed public hearing was held on the proposed rezoning, and the request was reviewed by the Village of Elwood Plan Commission and received its approval on February 8, 2000, by a vote of 6-0, indicating that the request complies with the requirements and criteria set forth in the Official Zoning Ordinance of the Village of Elwood, and its subsequent amendments, for a zoning map amendment, and the proposed rezoning is in conformance with the Village of Elwood Comprehensive Plan and is compatible with adjacent land uses; and

WHEREAS, the aforesaid property has recently been annexed to the Village of Elwood;

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ELWOOD, ILLINOIS IN THE EXERCISE OF ITS HOME RULE AND STATUTORY AUTHORITY, AS FOLLOWS:

Section 1. Map Amendment and Rezoning. That the zoning map of the Village of Elwood shall be amended by zoning and classifying the property commonly known as the CenterPoint property and legally described in Exhibit "A", attached hereto and made a part of this Ordinance as a Large Scale Industrial Planned Development District (I-4).

Section 2. Repealer. All other provisions of the Official Zoning Ordinance for the Village of Elwood, and its subsequent amendments shall remain in full force and effect.

Section 3. Severability. This Ordinance and every provision thereof, shall be considered severable. In the event that any court of competent jurisdiction may find and declare any word, phrase, clause, sentence, paragraph, provision or section or part of a phrase, clause, sentence, paragraph, provision or section of this Ordinance is void or unconstitutional, the remaining words, phrases, clauses, sentences, paragraphs and provisions and parts of phrases, clauses, sentences, paragraphs, provisions and sections not ruled void or unconstitutional shall continue in full force and effect.

Section 4. Effective Date. That this Ordinance shall be in full force and effect from and after its passage, approval and adoption in pamphlet form as provided by law.

PASSED BY THE VILLAGE BOARD of the Village of Elwood, Illinois at a meeting held on the 5TH day of JULY, 2000, and approved by me as Village President.

AYES: 6

NAYS: 0

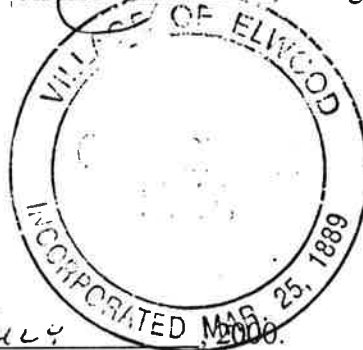
ABSENT: 0

PASSED and APPROVED this 5TH day of JULY, 2000.


JAMES CLEMENTI, Village President

ATTEST:


PATRICIA BUCHENAU, Village Clerk



PASSED: This 5TH day of JULY, 2000.

APPROVED: This 5TH day of JULY, 2000.

PUBLISHED: This 21ST day of JULY, 2000.

EXHIBIT "A"

Legal Description of Subject Property

Parcel 1 - (Steffes Farm)

THAT PART OF SECTIONS 29 AND 30 IN TOWNSHIP 34 NORTH RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, WILL COUNTY, ILLINOIS DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 30; THENCE SOUTH ALONG THE EAST LINE OF THE NORTHEAST QUARTER TO A POINT WHICH IS 630.30 FEET NORTH OF THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SAID NORTHEAST QUARTER OF SECTION 30; SAID POINT BEING THE NORTHEAST CORNER OF THE LAND CONVEYED BY A DOCUMENT NO. R95-9474, THENCE WEST ALONG A LINE PERPENDICULAR TO SAID EAST LINE, SAID LINE ALSO BEING THE NORTH LINE OF THE LAND CONVEYED BY SAID DOCUMENT NO. R95-9474, A DISTANCE OF 350.00 FEET; THENCE SOUTH ALONG A LINE PARALLEL WITH THE SAID EAST LINE OF THE NORTHEAST QUARTER SAID LINE ALSO BEING THE WEST LINE OF THE LAND CONVEYED BY SAID DOCUMENT NO. R95-9474, A DISTANCE OF 608.28 FEET TO THE CENTERLINE OF MISSISSIPPI AVENUE; THENCE EASTERLY ALONG SAID CENTERLINE OF MISSISSIPPI AVENUE TO THE AFORESAID EAST LINE OF THE NORTHEAST QUARTER THENCE SOUTH ALONG SAID EAST LINE 40.00 FEET TO THE SOUTH LINE OF MISSISSIPPI AVENUE AS ESTABLISHED IN THE ORIGINAL VILLAGE OF ELWOOD; THENCE WESTERLY ALONG THE SAID SOUTH LINE OF MISSISSIPPI AVENUE AS EXTENDED FROM ORIGINAL VILLAGE OF ELWOOD 210.00 FEET; THENCE SOUTH ALONG A LINE PARALLEL WITH THE AFORESAID EAST LINE OF THE NORTHEAST QUARTER TO THE SOUTH LINE OF SAID NORTHEAST QUARTER; THENCE EAST ALONG SAID SOUTH LINE 210.00 FEET TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF AFORESAID SECTION 29; THENCE SOUTH ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER TO THE SOUTH LINE OF THE NORTH 100.00 FEET OF SAID SOUTHWEST QUARTER; THENCE EAST ALONG SAID SOUTH LINE TO THE WESTERLY RIGHT-OF-WAY LINE OF THE CHICAGO AND ALTON RAILROAD COMPANY (ALSO KNOWN AS THE G,M AND O RAILROAD); THENCE SOUTHERLY ALONG SAID WESTERLY RIGHT-OF-WAY LINE TO THE NORTH LINE OF THE SOUTH 50.00 FEET OF THE SOUTHEAST QUARTER OF THE AFORESAID SECTION 30; THENCE WEST ALONG SAID NORTH LINE 111.84 FEET TO THE EAST LINE OF LAND DESCRIBED IN WARRANTY DEED RECORDED AS DOCUMENT NO. R70-111; THENCE NORTH ALONG SAID EAST 200.00 FEET TO THE NORTH LINE OF SAID LAND DESCRIBED IN DOCUMENT NO. R70-111; THENCE WEST ALONG SAID NORTH LINE 200.00 FEET TO THE WEST LINE OF SAID LAND DESCRIBED IN DOCUMENT NO. R70-111; THENCE SOUTH ALONG SAID WEST LINE 200.00 FEET TO THE AFORESAID NORTH LINE OF THE SOUTH 50.00 FEET OF THE SOUTHEAST QUARTER OF SECTION 30; THENCE SOUTH ALONG SAID WEST LINE 200.00 FEET TO THE AFORESAID NORTH LINE OF THE SOUTH 50.00 FEET OF THE SOUTHEAST QUARTER OF SECTION 30; THENCE WEST ALONG SAID NORTH LINE AND WEST ALONG THE NORTH LINE OF THE SOUTH 50.00 FEET OF THE SOUTHWEST QUARTER OF SAID SECTION 30, TO THE EASTERLY LINE OF LAND DESCRIBED IN WARRANTY DEED RECORDED AS DOCUMENT NO. R73-25241; THENCE NORTHWESTERLY ALONG SAID EASTERLY LINE TO THE EASTERLY RIGHT-OF-WAY LINE OF DIAGONAL ROAD (ALSO KNOWN AS JOLIET ROAD); THENCE NORTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE TO THE SOUTHERLY LINE OF LAND DESCRIBED IN TRUSTEE'S DEED RECORDED AS DOCUMENT NO. R95-55258; THENCE SOUTH 70 DEGREES 57 MINUTES 05 SECONDS EAST ALONG SAID SOUTHERLY LINE 230.30 FEET TO THE EASTERLY LINE OF SAID

LAND DESCRIBED IN DOCUMENT NO. R95-55258; THENCE NORTH 19 DEGREES 02 MINUTES 55 SECONDS EAST ALONG SAID EASTERLY LINE 257.66 FEET TO THE CENTERLINE OF THE U.S. GOVERNMENT SPUR TRACK; THENCE NORTH 58 DEGREES 10 MINUTES 44 SECONDS WEST ALONG SAID CENTERLINE 236.30 FEET TO THE AFORESAID EASTERLY RIGHT-OF-WAY LINE OF DIAGONAL ROAD; THENCE NORTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE TO THE NORTH LINE OF THE AFORESAID NORTHEAST QUARTER OF SECTION 30; THENCE EAST ALONG SAID NORTH LINE TO THE POINT OF BEGINNING; ALL SITUATED IN JACKSON TOWNSHIP, WILL COUNTY, ILLINOIS.

Parcel 2 - (Joliet Arsenal)

THAT PART OF SECTION 30, IN TOWNSHIP 34 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THAT PART OF SECTIONS 24, 25, 26, 35, AND 36 IN TOWNSHIP 34 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, WILL COUNTY, ILLINOIS DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF AFORESAID SECTION 30; THENCE EASTERLY ALONG THE NORTH LINE OF SAID SECTION 30 TO THE EASTERLY RIGHT-OF-WAY LINE OF DIAGONAL ROAD; THENCE SOUTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE TO A POINT 2212.19 FEET NORTH OF, AS MEASURED PERPENDICULAR TO, THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 30; THENCE SOUTH 88 DEGREES 06 MINUTES 29 SECONDS WEST, 1019.40 FEET, TO THE WESTERLY LINE OF THE EASEMENT GRANTED TO COMMONWEALTH EDISON COMPANY, PER DOCUMENT NO. R74-19438; THENCE SOUTH 87 DEGREES 56 MINUTES 32 SECONDS WEST, 1366.17 FEET, TO THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 30, SAID POINT BEING 2222.41 FEET NORTH OF THE SOUTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE CONTINUING SOUTH 87 DEGREES 56 MINUTES 32 SECONDS WEST, 2641.65 FEET, TO THE WEST LINE OF THE EAST HALF OF AFORESAID SECTION 25; THENCE SOUTH 1 DEGREE 51 MINUTES 37 SECONDS EAST, ALONG SAID WEST LINE, 2219.56 FEET, TO THE SOUTHWEST CORNER OF THE EAST HALF OF SAID SECTION 25; THENCE NORTH 87 DEGREES 54 MINUTES 15 SECONDS EAST, ALONG THE SOUTH LINE OF THE EAST HALF OF SAID SECTION 25, 1409.78 FEET; THENCE SOUTH 10 DEGREES 22 MINUTES 23 SECONDS WEST, 754.21 FEET; THENCE SOUTH 55 DEGREES 56 MINUTES 16 SECONDS WEST, 1474.44 FEET, TO THE WEST LINE OF THE EAST HALF OF AFORESAID SECTION 36, SAID POINT BEING 1517.03 FEET SOUTH OF THE NORTHWEST CORNER OF THE EAST HALF OF SAID SECTION 36; THENCE SOUTHERLY ALONG THE WEST LINE OF THE EAST HALF OF SAID SECTION 36 TO THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36; THENCE WESTERLY ALONG SAID SOUTH LINE AND WESTERLY ALONG THE SOUTH LINE OF THE AFORESAID SECTION 35 TO A LINE PARALLEL WITH AND 25 FEET EASTERLY OF THE EXISTING PAVEMENT CENTER OF WEST T.N.T ROAD; THENCE NORTHERLY ALONG SAID PARALLEL LINE TO THE INTERSECTION WITH A LINE 25 FEET SOUTHERLY OF AND PARALLEL WITH THE EXISTING PAVEMENT CENTER OF DRUMMOND ROAD; THENCE EASTERLY ALONG SAID PARALLEL LINE TO THE WEST LINE OF THE NORTHWEST QUARTER OF AFORESAID SECTION 25; THENCE NORTHERLY ALONG SAID WEST LINE AND NORTHERLY ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF AFORESAID SECTION 24 TO THE NORTH LINE OF SAID SOUTHWEST QUARTER OF SECTION 24; THENCE EASTERLY ALONG SAID NORTH LINE TO THE EAST LINE OF SAID SOUTHWEST QUARTER; THENCE SOUTHERLY ALONG SAID EAST LINE TO THE NORTH LINE OF THE NORTHEAST QUARTER OF THE AFORESAID SECTION 25; THENCE EASTERLY ALONG SAID NORTH LINE TO THE NORTHEAST CORNER OF SAID SECTION 25; THENCE

NORTHERLY ALONG THE RANGE LINE 6.60 FEET TO THE POINT OF BEGINNING
EXCEPTING THEREFROM THAT PART OF THE NORTH HALF OF AFORESAID
SECTION 30 CONVEYED FOR CEMETERY PURPOSES BY DEEDS RECORDED IN
BOOK 66, PAGE 102, AS DOCUMENT NO. 39953, AND IN BOOK 578, PAGE 106 AS
DOCUMENT NO. 334629, ALL SITUATED IN CHANNAHON AND JACKSON
TOWNSHIPS, WILL COUNTY, ILLINOIS, containing 1801.379 acres more or less.

CERTIFICATE

I, Patricia L. Buchenau, DO HEREBY CERTIFY THAT I am the Village Clerk for the Village of Elwood, Will County, Illinois and as such Officer, I have the lawful power and duty to keep a record of all proceedings of the Village Board of Trustees of said Village, and of all Ordinances and Resolutions presented to or passed by said Village Board of Trustees.

I DO HEREBY FURTHER CERTIFY that the foregoing document is a true, correct and complete copy of:

**ORDINANCE NO. 620
AN ORDINANCE AMENDING THE ZONING MAP
FOR THE VILLAGE OF ELWOOD REZONING CERTAIN
PROPERTY KNOWN AS THE CENTERPOINT PROPERTY
FROM A-1 (WILL COUNTY) TO I-4 LARGE SCALE
INDUSTRIAL PLANNED DEVELOPMENT DISTRICT**

Which was approved on July 5, 2000, is now on file in my office and that the proceedings of the Village Board of Trustees at the meeting duly called and held on July 5, 2000 were in accordance with applicable laws, at which a quorum was present and acting throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of the Village of Elwood, in the State of Illinois this 21st day of July 2000.



Patricia L. Buchenau
Patricia L. Buchenau
Village Clerk

STRATEGIC PLAN



From Swords
to Plowshares

for development of the
Joliet Arsenal Development Authority
property

UIS
University of Illinois at Springfield

 **CMT**
Crawford, Murphy & Tilly, Inc.

November, 1999

STRATEGIC PLAN

for the development of the
Joliet Arsenal Development Authority
property

"The Economic Adjustment Strategy was accomplished by professional consultants under contract to the Joliet Arsenal Development Authority through Economic Development Administration Adjustment Strategy Grant No. 06-49-02949. The statements, findings, conclusions, recommendations and other data in this report are solely those of the contractor and do not necessarily reflect the views of the United States Economic Development Administration."

November, 1999

Prepared by:

UIS

UNIVERSITY OF ILLINOIS AT SPRINGFIELD



CRAWFORD, MURPHY & TILLY, INC.

Acknowledgements

The UIS/CMT Team is especially indebted to the members and staff of the Joliet Arsenal Development Authority (JADA) for their guidance, assistance and direction of this project.

Joliet Arsenal Development Authority (JADA)

Walter Strawn, Chairman
Joseph Ward, Vice Chairman
Mattie Becker, Secretary/Treasurer
Mayor Alan Darr, Director
Mayor Arthur Schultz, Director
Mayor William Weidling, Director
Warren Dorris, Director
Jerry Gatties, Director
John Johnsen, Director
Rick Kwasneski, Executive Director

The UIS/CMT Team also wishes to express its appreciation to literally hundreds of individuals and organizations who provided valuable advice and suggestions to various members of our team throughout the plan development process. The quality of the comments received contributed greatly to the JADA strategic plan. It is essential that these many individuals and organizations, in addition to numerous others, continue to provide input to JADA's ongoing strategic management process. Space does not allow us to list all of the individuals to whom we are indebted, but the following is an abbreviated list of several key sources.

U.S. Senator Richard Durbin
U.S. Senator Peter Fitzgerald
U.S. Congressman Jerry Weller
Governor George Ryan
Senator Edward Petka
Senator Lawrence M. Walsh
Senator Patrick D. Welch
Representative Tom Cross
Representative Brent Hassert
Representative John C. "Jack" McGuire
Representative J. Phillip Novak
Representative Mary K. O'Brien
United States Veterans Administration
City of Joliet, numerous officials
City of Wilmington
County of Will, numerous officials
Village of Elwood
Village of Manhattan
Joliet/Will County Center for Economic
Development
Department of the Army
USDA - U.S. Forest Service
U.S. Department of Commerce

Illinois Department of Natural Resources
(IDNR)
Illinois Department of Commerce and
Community Affairs (DCCA)
Veterans Support Committee - George
Sangmeister
Regional Transportation Authority
Metra
Pace
Midewin Alliance
Sierra Club
Open Lands
Chicago Area Transportation Study (CATS)
Northeastern Illinois Planning Commission
(NIPC)
McAnarney Consulting - Tim McAnamey
Strand Associates, Inc.
Transport Development Group
GEOTECH Incorporated
CenterPoint Properties Trust
Joliet Arsenal Development Authority
Former JADA Board Members
Larry Cobb
Dr. Russ White

Contributors:

Mr. Joe Wilkins, *University of Illinois at Springfield (UIS)*
Mr. Leonard Branson, *University of Illinois at Springfield (UIS)*
Mr. Bruce Jacobson, *Crawford, Murphy & Tilly, Inc. (CMT)*
Mr. Bernie Held, *Crawford, Murphy & Tilly, Inc. (CMT)*
Mr. Roger Austin, *Crawford, Murphy & Tilly, Inc. (CMT)*
Mr. Dane Bragg, *Crawford, Murphy & Tilly, Inc. (CMT)*
Ms. Anne Baker, *Crawford, Murphy & Tilly, Inc. (CMT)*

You may find us at www.jada.org

Table of Contents

| | |
|---------------------------------------------------------------|------------|
| Introduction..... | i |
| Section One: Regional Economic Conditions..... | 1-1 |
| Introduction..... | 1-1 |
| The Region..... | 1-1 |
| Employment and Earnings..... | 1-2 |
| Population Demographics..... | 1-5 |
| Section Two: Local Assets and Liabilities | 2-1 |
| Regional Assets and Liabilities..... | 2-1 |
| Site Specific Assets and Liabilities..... | 2-3 |
| Section Three: Identification of Plant Facilities..... | 3-1 |
| Access | 3-1 |
| Water..... | 3-1 |
| Sanitary Sewers..... | 3-4 |
| Gas & Electric..... | 3-5 |
| Structures | 3-5 |
| Concrete | 3-5 |
| Land Transfer..... | 3-5 |
| Environmental Sites..... | 3-6 |
| Rail Service..... | 3-8 |
| Section Four: Market Potential | 4-1 |
| Industrial Market Trends..... | 4-1 |
| Competitive Analysis..... | 4-2 |
| Target Industries | 4-6 |
| Intermodal Development Opportunities | 4-8 |
| Other Opportunities | 4-13 |
| The Development Community..... | 4-13 |
| Section Five: Land Use Strategy..... | 5-1 |
| The Development Catalyst – What We Know Today | 5-1 |
| Overall Guiding Principals and Market Positioning..... | 5-2 |
| Deer Run Park..... | 5-4 |
| Island City..... | 5-5 |
| Section Six: Capital Improvements Plan..... | 6-1 |
| Roadway Access Infrastructure | 6-1 |
| Site Infrastructure..... | 6-2 |
| 75 Megawatt Power Plant | 6-2 |
| Multiple Intermodal Facilities..... | 6-2 |

Table of Contents - Continued

| | |
|-------------------------------------------------------|------------|
| Section Seven: Impediments to Development..... | 7-1 |
|-------------------------------------------------------|------------|

| | |
|--------------------------------------------------|------------|
| Section Eight: Reuse Recommendations..... | 8-1 |
|--------------------------------------------------|------------|

| | |
|------------------------------------|------|
| Development Controls | 8-1 |
| Incentives & Financing | 8-4 |
| Market Targeting for Jobs..... | 8-6 |
| Training..... | 8-6 |
| Marketing | 8-7 |
| Community Relations | 8-8 |
| Environmental Remediation | 8-8 |
| Water Study | 8-11 |
| Goals and Objectives | 8-13 |
| Strategic Management Process | 8-13 |

Section Nine: Transportation Issues Affecting Low-to-Moderate

| | |
|----------------------------|------------|
| Income Workers..... | 9-1 |
|----------------------------|------------|

| | |
|--------------------------|-----|
| Background | 9-1 |
| Target | 9-2 |
| Available Services | 9-2 |
| Opportunity | 9-3 |
| Recommendations..... | 9-3 |
| Funding | 9-4 |

List of Exhibits

- 1-1 Location Map
- 1-2 Will County Labor Force by Census Tract, 1997
- 1-3 Will County Unemployment Rate by Census Tract, 1997

- 2-1 Vicinity Map

- 3-1 Well Interconnect System
- 3-2 Deer Run Water Supply System
- 3-3 Parcel Transfer Status
- 3-4 Soils Remediation Units
- 3-5 Groundwater Remediation Units
- 3-6 Acquired Railroad Right-of-Way

- 5-1 Deer Run Industrial Park Site Concept
- 5-2 BNSF Intermodal Facility at Alliance Park, Fort Worth, TX
- 5-3 Island City Site Concept #1
- 5-4 Island City Site Concept #2

- 7-1 Concrete Removal

- 8-1 The Strategic Management Process

List of Tables

- 1-1 Will County: Industry Employment and Earnings for 1996 and Job Growth for 1995-2005
- 1-2 Industry Employment and Earnings for the Four Counties, DuPage, Grundy, Kankakee and Kendall, for 1996 and Projected Job Growth for 1995-2005
- 1-3 Unemployment Rate for the Five County Area and the State, Annually, 1995--1997 and Quarterly, 1997 and First Three Quarters of 1998
- 1-4 Population Growth by County and for the State, for Selected Years, 1970-1995 and Projections for 2000 and 2005
- 1-5 Proportionate Shares of Population within the Five County Area, for Selected Years, 1970-1995 and Projections for 2000 and 2005
- 1-6 Will County Population, by Race, for 1990 and 1995, and Projections, for Years 2000-2005
- 1-7 Median Age and Percent of Population Over 65, for the Five Study-Area Counties and the State, for Selected Years, 1975-1995 and Projections for 2000 and 2005
- 1-8 Median Household Income and Per Capita Income, in Dollars and Percentage Change for the Five Study-Area Counties and the State for Selected Years, 1970 through 1995
- 1-9 Poverty Level by Number and Percent of Total, for the Five Study-Area Counties and the State, for 1990
- 1-10 Educational Characteristics of the Population over 25 Years of Age, for the Five County Study-Area and the State, for 1990
- 1-11 Housing Units by Number, Occupancy Rates, and Values, for the Study-Area Counties and State, for 1990

- 2-1 Industrial Tax Advantages
- 2-2 Competitive Tax Advantage

- 3-1 Deer Run Water Storage Facilities
- 3-2 Island City Water Storage Facilities
- 3-3 Estimated Army Remediation Horizon

- 4-1 Overall Statistics for the Chicago Industrial Market
- 4-2 Large Tract Industrial Properties
- 4-3 Summary of Intermodal Yards

- 6-1 Capital Improvements Plan
- 6-2 Critical Short Term Planning Activities

Introduction

Historic Perspective

When the United States became involved in World War II over half a century ago, America accelerated its efforts to build an industrial complex at home to supply its armed forces fighting in distant lands. An integral component of that effort opened in 1941 at a federally-owned site 40 miles southwest of Chicago. It occupied 23,500 acres where the weapons of warfare were manufactured and assembled. Up to 57% of the Army's TNT was produced at this facility that came to be known as the Joliet Army Ammunition Plant (JOAAP).

The Plant served as a major employer in Will County throughout World War II as well as during the Korean and Vietnam conflicts. Thousands of area residents worked at the plant which employed nearly 12,000 people in the 1940s and 8,000 in the 1960s. People migrated to the Joliet community to find work at the plant. In 1976, that production dramatically declined and the plant was declared excess Army property in 1993.

The Joliet Arsenal represents a classic example of the downsizing of America's military infrastructure. The Will County area faces the same opportunities and challenges faced by hundreds of communities nationwide which have endured base closures and/or realignment over the past decade. History has shown that turning "swords to plowshares" requires combining a cooperative spirit with a creative vision and securing the financial resources necessary to carry out that conversion.

Challenges and Opportunities

As part of the Illinois Land Conservation Act of 1995, Public Law 104-106 sponsored by Congressman Weller, the transition has begun on the vast majority of the JOAAP facility. This includes land that was transferred to U.S. Forest Service (19,000 acres) and the Department of Veterans Affairs (1,000 acres) where two public facilities of national significance are being established – the Midewin National Tallgrass Prairie and the Abraham Lincoln National Cemetery. The challenge that remains is to determine the process necessary to transform the remaining land into a source of regional economic development and peacetime job opportunities.

The first step was taken by the state of Illinois which, through enabling legislation, established the Joliet Arsenal Development Authority (JADA) for the purposes of transforming the property into a source of peacetime employment for the region, just as it was a source of jobs during periods of conflict. Entrusted with the mission of creating economic development opportunities, JADA has initiated this strategic planning process. The purpose of this strategic plan is to guide this transformation in coordination with

local, state and federal entities, to prioritize and organize resources to facilitate expedient and orderly development – to transform “swords into plowshares.”

Relationship to Previous Study

In May of 1995 the Joliet/Will County for Economic Development (CED), in conjunction with the U.S. Economic Development Authority (EDA) Grant Coordinating Subcommittee of the Joliet Arsenal Citizens Planning Commission (JACPC), selected a team of consultants to prepare a conceptual land use plan for the redevelopment of the two industrial parks at the former Arsenal. The “Industrial Site Development Plan” which was submitted in November, 1995 was a very comprehensive planning document addressing engineering, planning, marketing and financing issues.

The need to revisit the study has been prompted by a number of events, the least of which includes the establishment of the Joliet Arsenal Development Authority. This Strategic Plan is being prepared as a means of coordinating JADA’s mission with surrounding communities and stakeholders. Since the previous planning study, specific developer interest with a viable vision for development has emerged shifting the focus from answering the “feasibility” question to the “implementation” question.

The Strategic Planning Process is both iterative and ongoing. It presents the long-term direction of the organization in the context of JADA’s vision of the future. This initial report establishes the benchmark by which JADA’s progress will be measured and how goals and policies may need to be refined in the future.

JADA Mission

As specified in Public Act 89-333, the mission of the Joliet Arsenal Development Authority is to facilitate and promote the utilization of property formerly occupied and used by the United States government as an ammunition plant and arsenal and to replace and enhance the economic benefits generated by those former uses with diversified projects and land uses that will create new job opportunities and foster new economic development within the area.

Planning Objectives

With respect to the above stated mission, a set of planning objectives can be established that will guide the Strategic Planning process:

- Review, update and establishment of economic and market parameters that will control the development of the two industrial parks.

- Coordination of JADA's mission with affected stakeholders including surrounding communities and neighboring land uses.
- Develop and communicate a cohesive vision for the two industrial parks.
- Recommend short-term actions that would enhance and stimulate development.
- Address the needs of low to moderate-income workers in the Joliet area.

Strategic Plan

The Strategic Plan looks at the dynamics, both external and internal, that affect development potential. In general, it must identify the project's strengths and weaknesses, establish a vision, and formulate goals and objectives to meet the overall vision. The format of this Strategic Plan follows an outline specified by the EDA for this project and addresses the following:

Regional Economic Conditions – Define the demographic conditions that will affect development. Unemployment, population trends and education levels are just a few of the indicators needed to identify the opportunities and challenges associated with developing a plan that maximizes the public benefit in terms of jobs created.

Market Potential – How the sites fit with in the marketplace. The market analysis phase of the process must consider local assets and liabilities and the competitive environment.

Site Conditions/Plant Facilities – Inventory and analysis of roadways, utilities, and other facilities including status of environmental remediation.

Land Use Strategy – What is the context for 3,000 acres of land? The plan will look at alternatives and present a coordinated vision for development in the form of a Land Use Strategy.

Proposed Capital Improvement Plan – The development of industrial land at the parks will require significant financial resources to build roads, utilities and infrastructure. A Capital Improvements Plan identifies project costs and funding participation levels.

Impediments to Development – A project of this scale is faced with certain challenges. The Plan should clearly identify the impediments to development.

Reuse Recommendations – Organizational structures and actions to address development controls, training, marketing, community relations, etc. Recommendations will include strategic goals that provide a measuring stick for evaluating effectiveness. Goals will be established for two-year and four-year intervals.

Transportation of Workers – Issues and strategies associated with the transport of low and moderate-income workers. This is an issue requiring specialized focus in this report.

Project Methodology

This Strategic Management Plan has been developed through the combined efforts of the University of Illinois at Springfield (UIS) and Crawford, Murphy & Tilly, Inc. (CMT) Consulting Engineers, in cooperation with the Joliet Arsenal Development Authority (JADA).

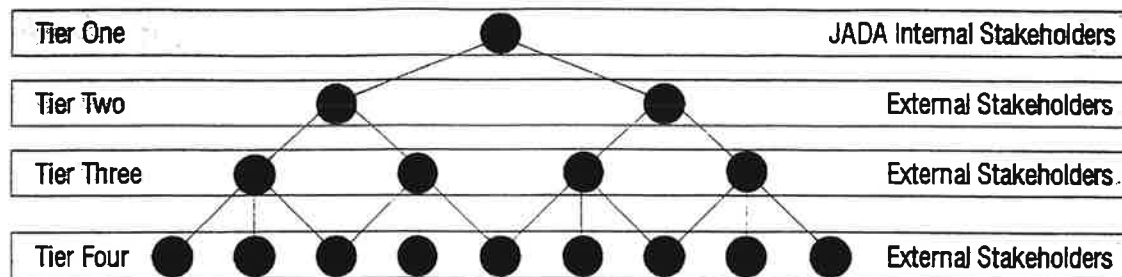
The following report summarizes the findings of research and draws recommendations to enhance JADA's opportunity for success. These findings are drawn from personal and telephone interviews with more than 100 community leaders, private industry leaders, state and local development officials, planning officials, environmental groups and neighbors of the proposed industrial park including the Veterans Administration and the Midewin National Tall Grass Prairie. Research and analysis was conducted of regional demographic trends as well as market trends in intermodal transportation and industrial development.

The team's coordination with a wide cross-section of individuals and organizations produced a broad perspective of the proposed JADA development. The quality of comments and insights received through this process should enhance the overall value of the strategic planning process. The dialogue achieved through this initial planning process should continue throughout the development phase, especially in the initial phases. What has been accomplished in this plan sets the stage for what should be a continual coordination and consensus building process.

The planning process used by the UIS/CMT team in developing this report was specifically designed for this project. This planning process was designed to not only conduct the project in the most effective and efficient manner, but it was also designed to ensure the maximum amount of public input from all interested stakeholders. The components of the planning process included a four-tier analysis consisting of a SWOT (strengths, weaknesses, opportunities, threats) analysis carried out at each tier of the planning process. The UIS/CMT team sought and received direct input from internal and external stakeholders through the strategic planning process.

The planning process was designed to ensure that there was a meticulous cataloguing of all identified strengths, weaknesses, opportunities and threats posed by the development of this property. It also ensured that comprehensive interviews were conducted with the project's internal and external stakeholders. The planning process utilized by the UIS/CMT team is pictorially represented in the following diagram and explained in the following narrative.

Project Planning and Execution Process



The first tier analysis consisted of a SWOT analysis conducted by the UIS/CMT team which involved intensive interviews with all of the Board Members and the staff of the Joliet Arsenal Development Authority. In addition to identifying all of the strengths, weaknesses, opportunities and threats posed by the development of this property as viewed by these individuals, these internal stakeholders of JADA were asked to identify all of the external stakeholders who have an interest in the development of this property.

The second tier analysis of this project consisted of a SWOT analysis conducted by the UIS/CMT team which involved intensive interviews of all the external stakeholders identified in the first tier analysis. In addition to identifying all of the strengths, weaknesses, opportunities and threats posed by the development of this property, each of these external stakeholders was also asked to identify all of the other external stakeholders that might have an interest in the development of this property. This process continued through a third and fourth iteration. Each identified stakeholder, whether individual or group, was included in the process (refer to Acknowledgements at beginning of the report).

The UIS/CMT team then began an iterative process of putting together a strategic plan, discussing it with interested stakeholders and revising it based on the discussions. After several iterations, the final strategic plan was submitted to JADA/EDA.

The Future

This Report will provide a historical and geographical perspective from which the current challenges and opportunities offered by this property may be fully realized. The UIS/CMT Team is enthusiastic and optimistic about the future development possibilities of this property and its rapid development potential commensurate with appropriate environmental safeguards. We believe this property will serve both as a catalyst for the region's economic development and as the southwest anchor of the developing I-55 Industrial Corridor.

Regional Economic Conditions

Section One

Section One

Regional Economic Conditions

Introduction

Will County is located in the southern portion of the Chicago Metropolitan Area (CMA). See Location Map on Exhibit 1-1. The county seat of Will County is Joliet. Joliet is the largest city within the county. Will County is also the site of the Joliet Arsenal, a facility opened in 1941 to manufacture military munitions. While the arsenal went through a number of changes over the subsequent decades, the production of munitions on the site was halted in early 1976. In 1977, the facility was classified by the military as inactive and in 1993 it was determined to be "excess" to the Army's needs. The property is now undergoing transfer to the Joliet Arsenal Development Authority for development for industrial purposes. To fully understand the overall site development needs and potential for the property, it is important to have a strong sense and inventory of the physical characteristics presented in other sections of this study. It is also important to have a snapshot of the economic and social characteristics of the area as well.

The Region

Because Will County is located within the CMA, the county's social and economic characteristics and potential for development are influenced by activities and changes in the other counties within the area. For example, the 1990 census reported that 30 percent of the Will County workforce was drawn from surrounding counties.¹ For this reason, a part of this assessment of Will County includes an examination and comparison of the characteristics of DuPage, Grundy, Kendall and Kankakee counties. Each of these counties borders Will County. Cook County adjoins Will County on the north. However, because of Cook County's size relative to the other counties in the area, it has been excluded from the analysis to avoid distortions in the data.

Because of its proximity within the CMA, Will County is well served by surface transportation. It is essentially bounded on the west and north by I-55. It is also served by I-80, which cuts east/west across the county and I-57, which cuts north/south across the area. There are four major north-south rail lines which cross the county--one on the east-side, one roughly in the middle and two on the west-side. In addition, one major east-west rail line crosses the middle of the county. Through these rail facilities, Will County is served by nine freight service providers. Through Metra, passenger services are also available for three different routes.²

¹Information taken from, "Will County Location Advantages," <http://irerealty.com/willco.htm>, p.1.

²Ibid.

Area air service customers are within a one to two hour drive of O'Hare International and Midway Airports in Cook County. In addition, Will County is the location of the planned new international airport facility to serve the greater Chicago area. Will County provides waterway access via the DesPlaines River to the Illinois and Mississippi Rivers and Lake Michigan. Water shipping capability for the county ranks second within Illinois for waterway barging terminals.³

Employment and Earnings

A review of both employment and earnings for Will County and the other four counties provides perspective on the importance of the county to this five-county region. In 1996, employment of the five counties totaled 883,423. Of that, Will County accounted for 157,240 (17.8 percent). (See Tables 1-1 and 1-2 below.) DuPage is the largest of the four remaining counties with its 1996 employment at 636,832 (72.1 percent). The other three counties employed 89,351 in 1996 with 52,933 (6.0 percent) in Kankakee, 19,644 (2.2 percent) in Kendall and the remaining 16,774 (1.9 percent) in Grundy County.

Table 1-1

Will County: Industry Employment and Earnings for 1996 and Job Growth for 1995-2005

| Employment Classification | Employment | | Earnings | | Job Growth | Job Growth |
|-------------------------------------------------------|-------------------|------------------|------------------|---------------|-------------------|-------------------|
| | Number of Jobs | % of Total | \$ (000) | % of Total | 1995-2000* (%) | 2000-2005* (%) |
| Farm | 1,386 | 0.88 | 28,752 | 0.63 | N/A | N/A |
| Agricultural Service, Forestry, Fishing, and other | 2,909 | 1.85 | 53,759 | 1.18 | N/A | N/A |
| Mining | 320 | 0.20 | 14,555 | 0.32 | -12.7 | -11.8 |
| Construction | 14,610 | 9.29 | 585,016 | 12.83 | 1.5 | -9.9 |
| Manufacturing | 19,649 | 12.50 | 903,489 | 19.81 | -3.1 | 0.5 |
| Transportation and Public Utilities | 8,026 | 5.10 | 367,983 | 8.07 | 0.7 | 1.7 |
| Wholesale Trade | 6,024 | 3.83 | 231,839 | 5.08 | 6.2 | 3.1 |
| Retail Trade | 27,935 | 17.77 | 406,098 | 8.90 | | |
| Finance, Insurance, and Real Estate | 10,927 | 6.95 | 184,095 | 4.04 | 10.6 | 3.8 |
| Services | 44,289 | 28.17 | 1,138,385 | 24.96 | 18.2 | 9.6 |
| Government & Government Enterprises | 21,165 | 13.46 | 647,008 | 14.19 | 3.1 | 7.1 |
| TOTAL | 157,240 | 100.00 | 4,560,979 | 100.00 | 6.8 | 4.1 |

Projected; N/A Not Available; *Estimates based on DRI non-agricultural employment calculations.

Sources: *Economic Profile of Will County*, Office of Policy Development, Planning and Research, Illinois Department of Commerce and Community Affairs.

The largest employment sectors of both Will County and the other four counties are services and retail trade. For Will County, service industry employment constitutes 28.17 percent of total employment, while for the four surrounding counties, service industry jobs account for roughly one-third (32.38 percent) of the total. Retail trade jobs account for 17.77 percent for Will County employment and 17.19 percent of total employment in

³Ibid.

the adjacent four counties. In the aggregate, the total of the two industries within Will County accounts for roughly 45 percent of total employment and for about 50 percent of total employment within the surrounding four counties. Appendix A shows 1997 labor force and unemployment statistics for Will County by census tract. Labor force is depicted graphically in Exhibit 1-2.

Table 1-2:
Industry Employment and Earnings for the Four Counties, DuPage, Grundy, Kankakee, And Kendall, for 1996 and Projected Job Growth for 1995-2005

| Employment Classification | Employment | | Earnings | | Job Growth | Job Growth |
|-------------------------------------------------------|-------------------|---------------|-------------------|---------------|-------------------|-------------------|
| | Number of Jobs | % of Total | \$ (000) | % of Total | 1995-2000* (%) | 2000-2005* (%) |
| Farm | 2,849 | 0.39 | 85,157 | 0.32 | N/A | N/A |
| Agricultural Service, Forestry, Fishing, and other | 6,526 | 0.90 | 130,731 | 0.49 | N/A | N/A |
| Mining | 785 | 0.11 | 14,771 | 0.06 | -27.6 | -9.5 |
| Construction | 40,280 | 5.55 | 1,266,898 | 6.65 | 12.0 | 5.5 |
| Manufacturing | 93,192 | 12.83 | 4,282,512 | 16.11 | 11.7 | 10.3 |
| Transportation and Public Utilities | 43,383 | 5.97 | 2,027,588 | 7.63 | 15.0 | 16.9 |
| Wholesale Trade | 60,245 | 8.30 | 3,019,562 | 11.36 | 11.8 | 10.2 |
| Retail Trade | 124,859 | 17.19 | 2,620,221 | 9.86 | | |
| Finance, Insurance, and Real Estate | 63,020 | 8.68 | 1,924,288 | 7.24 | 16.2 | 11.0 |
| Services | 235,173 | 32.38 | 8,878,289 | 33.40 | 25.0 | 17.2 |
| Government & Government Enterprises | 55,871 | 7.69 | 1,827,745 | 6.89 | 15.0 | 12.5 |
| Four-County Total | 726,183 | 100.0 | 26,577,762 | 100.00 | 16.5 | 12.4 |

N/A Not Available; * Estimates based on DRI non-agricultural employment projections.

Sources: *Economic Profile* for DuPage, Grundy, Kankakee, and Kendall Counties, Office of Policy Development Planning and Research, Illinois Department of Commerce and Community Affairs.

These two employment sectors, however, tend to provide relatively lower wages and salaries than some other sectors within these five counties. For example, the share of the \$4.56 million of total earnings in Will County from service and retail trade employment is 33.86 percent while the share of total employment is about 43 percent. For the other four counties, 43.26 percent of the \$26.6 million in total earnings and 50 percent of total employment come from the two sectors. While the two sectors produce this disproportionate result, it should be noted that for the four counties, service employment does generate a slightly greater proportion of earnings (33.40) than it does of employment (32.38).

Will County industry groupings for which the share of earnings, relative to share of employment is greater include: mining, construction, manufacturing, transportation and public utilities, wholesale trade and government. These industries combined account for 44.38 percent of total employment in the county and 60.30 percent of the earnings. The employment/earnings relationship for the combined four counties differs in that the government and mining sectors account for a greater relative share of employment than they do of earnings. For the four sectors, construction, manufacturing, transportation and public utilities and wholesale trade, however, almost 42 percent of the total earnings for the counties are accounted for by roughly only one-third of the total employment.

Based on Standard & Poor's DRI projections of non-agricultural employment, growth within the "region" is estimated to be more rapid within the four counties than within Will County. The strong four-county projected growth rate is principally driven by DuPage, the largest industrial county among the four. Even so, by 2005 Will County is expected to mark substantial increases in trade, finance, insurance and real estate, service and government employment. Recognizing the county strengths in the service industries, the Will County Chamber of Commerce has begun an organized target industry development and marketing initiative to attract administrative service centers.⁴ In addition, to work to create stronger growth within the manufacturing sector of the county economy, the chamber also has undertaken similar target industry initiatives to create jobs in the telecommunications and production machinery and equipment sectors.⁵

One measure of the capacity of an area to grow economically is the unemployment rate. Since 1995, the Will County unemployment rate has been declining as has that of the other four counties within the study area as well. (See Table 1-3 below.) As the rates decline, the labor market within the study-area tightens.⁶ Closer examination of the five counties suggests that DuPage and Kendall Counties labor markets have become considerably tighter over the period between 1995 and the end of 1998. Their unemployment rates are at the lower 3 percent and upper two-percent range. Given the three quarters of experience for 1998, Will County will likely end 1998 with an annual rate of around 4.3 to 4.5 percent. While not as low as that for DuPage or Kendall, a rate at this level signals a labor market with limited flexibility in meeting general labor market demands. Another measure of Will County's labor market competitiveness is shown by the fact that the county's unemployment rate has remained consistently below the state's unemployment rate for a period of time. These observations suggest that some creative labor market or labor development strategies will be needed to respond to the labor demands which will emanate from any successes in the targeted industry recruitment efforts referenced above. See Exhibit 1-3 for graphic depiction of unemployment areas by census tract in Will County.

⁴The Wadley-Donovan Group, Ltd., *Target Industry Profile: Administrative Service Centers*, prepared for the Will County Chamber of Commerce, July, 1998.

⁵The Wadley-Donovan Group, Ltd., *Target Industry Profile: Telecommunications*, and *Target Industry Profile: Production Machinery and Equipment*, also prepared for the Will County Chamber of Commerce, July, 1998.

⁶Note that in the first quarter of each year for each county marks a typically significant increase in the rate occurs. This increase is generally caused by layoffs that stem from seasonal employment, particularly employment tied to the holiday season and in sectors such as retail trade and service.

Table 1-3

Unemployment Rate for the Five County Area and the State, Annually, 1995 - 1997 and Quarterly, 1997 and First Three Quarters of 1998

| AREA | 1995 | 1996 | 1997 | QUARTERS | | | | | | |
|----------|------|------|------|----------|-------|--------|-------|------|-------|--------|
| | | | | 97-I | 97-II | 97-III | 97-IV | 98-I | 98-II | 98-III |
| WILL | 5.3 | 5.0 | 4.6 | 6.1 | 4.4 | 4.0 | 4.1 | 5.7 | 3.9 | 3.8 |
| DuPAGE | 3.4 | 3.4 | 2.9 | 3.5 | 2.9 | 2.7 | 2.6 | 3.1 | 2.5 | 2.6 |
| GRUNDY | 7.6 | 6.6 | 6.8 | 9.1 | 6.0 | 6.4 | 5.5 | 8.8 | 5.6 | 5.3 |
| KANKAKEE | 6.4 | 5.8 | 5.6 | 6.9 | 5.5 | 5.0 | 4.9 | 6.8 | 5.5 | 5.8 |
| KENDALL | 4.0 | 3.9 | 3.4 | 4.6 | 3.1 | 2.8 | 3.0 | 4.2 | 2.6 | 2.7 |
| ILLINOIS | 5.6 | 5.3 | 4.7 | 5.5 | 4.6 | 4.4 | 4.3 | 5.2 | 4.2 | 4.3 |

Source: Illinois Economic Summary, Fourth Quarter 1996 and Fourth Quarter 1998, Illinois Department of Commerce and Community Affairs.

In summary, for the five counties, the service and retail trade sectors provide proportionately more to total employment than to total earnings while construction, manufacturing, transportation and utilities and wholesale trade are sectors that generate greater proportionate shares of earnings than employment. Will County individually adds mining and government employment to its mix of industry groups that generate relatively more earnings than employment. To continue to strengthen its economic base, targeted industry development and marketing initiatives are underway for three sectors of the economy. To the extent that such efforts are successful, the DRI projected growth rates for manufacturing will be low. In addition, to the extent that such efforts are successful, the county will be increasingly challenged to meet the labor demands of businesses in the targeted industries.

Population Demographics

Growth

The 1995 population of Will County was 413.8 thousand persons. By the year 2000, the population is expected to increase to 468.9 thousand persons (13.3 percent). This projected growth rate is the highest within the five-county study-area. (See Table 1-4 below.) DuPage, Kendall and Will counties experienced rapid population growth between 1970 and 1980. While the rates slowed through the next decade, DuPage continued to increase in size with a growth rate of 18.6 percent between 1980 and 1990. Second in growth rate within the five counties over the 1980's was Will County. From 1990 to 1995, the Will County population continued with a relatively high growth rate of 15.8 percent. The only other county within the area with a similar rate of growth in population was Kendall County. As these five counties approach the year 2000, the only county expected to continue to achieve double-digit growth is Will County.

Table 1-4
Population Growth by County and for the State, for Selected Years, 1970 – 1995 and Projections for 2000 and 2005

| LOCATION | POPULATION (000) | | | | | | PERCENTAGE CHANGE | | | |
|--------------------|------------------|-----------|----------|-----------|-----------|----------|-------------------|---------|---------|---------|
| | 1970 | 1980 | 1990 | 1995 | 2000 | 2005 | 1970-80 | 1980-90 | 1990-95 | 1995-00 |
| County: | | | | | | | | | | |
| Will | 249.50 | 324.46 | 357.31 | 413.82 | 468.93 | 534.60 | 30.0 | 10.1 | 15.8 | 13.3 |
| DuPage | 491.88 | 658.86 | 781.66 | 852.31 | 884.95 | 901.93 | 33.9 | 18.6 | 9.0 | 3.8 |
| Grundy | 26.54 | 30.58 | 32.34 | 35.21 | 36.28 | 37.93 | 15.2 | 5.7 | 8.9 | 3.0 |
| Kankakee | 97.25 | 102.93 | 96.26 | 102.96 | 107.07 | 109.85 | 5.8 | -6.5 | 7.0 | 4.0 |
| Kendall | 26.37 | 37.20 | 39.41 | 45.61 | 49.56 | 53.72 | 41.1 | 5.9 | 15.7 | 8.7 |
| Illinois | N/A | 11,427.41 | 11,430.6 | 11,829.88 | 12,134.34 | 12,382.6 | N/A | 0.0 | 3.5 | 2.6 |
| N/A: Not Available | | | | | | | | | | |

Sources: *Illinois Population Trends 1990 to 2020*, 1997 Edition, Illinois Bureau of the Budget; *Economic Profiles* of DuPage, Grundy, Kankakee, Kendall, and Will Counties, Office of Policy Development, Planning and Research, Illinois Department of Commerce and Community Affairs; *County and City Data Book* - selected years, Bureau of the Census; *1997 County and City Extra, Annual Metro, City, and County Data Book*, edited by George E. Hall and Deirdre A. Gaquin. (Bernan Press: Lanham, MD)

Another perspective on the Will County population growth rate can be gained by examining the changes in the relative share of the five-county population over the period 1970 to 1995 and projections to 2005. (See Table 1-5 below.) In 1970, Will County accounted for about 28 percent of the five-county population while DuPage accounted for over half (55.2 percent.) The remaining three counties, Grundy, Kankakee and Kendall accounted for roughly 18 percent. By 1990, these positions had changed with DuPage accounting for almost 60 percent of the area population. The Will County share had slipped to 27 percent while the share of the remaining three counties dropped to about 13 percent. Since that time, the relative position of these latter three counties has continued to slip while Will County's share of the study-area population has grown. By the year 2005, Will County is projected to account for roughly one-third of the area's population. DuPage County will be in the same relative position it held in 1970 (55 percent) along with Kendall County (about 3 percent) and the other two, Grundy and Kankakee, will be continuing to decline in relative importance. To the extent that the projections materialize for Will County, some of the labor market tightness discussed earlier may be relieved as the county population increases.

Table 1-5

Proportionate Shares of Population within the Five County Area, for Selected Years, 1970 – 1995 and Projections for 2000 and 2005

| COUNTY | 1970 Percentage | 1980 Percentage | 1990 Percentage | 1995 Percentage | 2000 Percentage | 2005 Percentage |
|----------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| WILL | 28.0 | 28.1 | 27.3 | 28.5 | 30.3 | 32.6 |
| DuPAGE | 55.2 | 57.1 | 59.8 | 58.8 | 57.2 | 55.1 |
| GRUNDY | 3.0 | 2.6 | 2.5 | 2.4 | 2.3 | 2.3 |
| KANKAKEE | 11.9 | 8.9 | 7.4 | 7.1 | 6.9 | 6.7 |
| KENDALL | 3.0 | 3.2 | 3.0 | 3.1 | 3.2 | 3.3 |
| TOTAL | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: Table 1-3

Race

Will County is expected to experience little change in terms of population demographics over the period 1990 to 2005. The racial mix of the population between white and non-white is expected to remain relatively constant over to 2005. (See Table 1-6 below.) In 1990, 87.6 percent (312,980 persons) of the Will County population was white and 12.4 percent (44,330 persons) non-white. By 2005, it is anticipated that 87.8 percent of the population (468,380 persons) will be white and 12.2 percent (66,220 persons) will be non-white. The Hispanic share of the population is expected to increase from 5.6 percent (19,970 persons) to 7.7 percent (41,010 persons).

Table 1-6

Will County Population, by Race, for 1990 and 1995, and Projections, for Years 2000-2005 (000)

| RACE | 1990 | 1995 | 2000 | 2005 |
|-------------------|-----------|-----------|-----------|-----------|
| Will County | 357.31 | 413.82 | 468.93 | 534.6 |
| White | 312.98 | 363.74 | 411.53 | 468.38 |
| Non-White | 44.33 | 50.08 | 57.40 | 66.22 |
| Hispanic | 19.97 | 25.40 | 32.29 | 41.01 |
| Non-Hispanic | 337.34 | 388.42 | 436.64 | 493.59 |
| State of Illinois | 11,430.60 | 11,829.88 | 12,134.34 | 12,382.60 |

Source: *Illinois Population Trends 1990 to 2020*, 1997 Edition, Illinois Bureau of the Budget.

Age

Another indicator of the strength of a given community is the age distribution of the area population. An examination of the age distribution of the study area counties and for the state as a whole suggests that, relative to the other counties, Will County has a young population. (See Table 1-7.) While the median age for all five counties increased from 1975 through 1995, since 1990 the median age of the Will County population has been stable at around 31 years. This is less than any of the other counties and the state as a

whole. Also, of the five counties, Will County is the only one, which will continue to be at the 1990 level by the year 2005. In addition to a relatively low median age, the percent of the Will County population over age 65 is projected to decline from a 1990 high of about 8.6 percent to around 7 percent. Again, compared to the other counties and the state of Illinois, Will County is marked with a younger population.

Table 1-7

Median Age and Percent of Population Over 65, for the Five Study-Area Counties and the State, for Selected Years, 1975 - 1995 and Projections for 2000 and 2005

| Age Characteristics by Year | Will County | DuPage County | Grundy County | Kankakee County | Kendall County | State of Illinois |
|--------------------------------------|-------------|---------------|---------------|-----------------|----------------|-------------------|
| Median Age in 1975 | 26.6 | 27.72 | 28.8 | 28.71 | 26.76 | 28.6* |
| Percent Over 65 Years of Age in 1975 | 7.2 | 6.22 | 10.0 | 10.73 | 6.89 | 9.8* |
| Median Age in 1980 | 28.7 | 29.41 | 29.8 | 29.00 | 27.85 | 31.1 |
| Percent Over 65 Years of Age in 1980 | 7.4 | 6.90 | 10.9 | 10.78 | 7.05 | 11.0 |
| Median Age in 1990 | 31.9 | 32.8 | 33.8 | 32.2 | 33.0 | 32.8 |
| Percent Over 65 Years of Age in 1990 | 8.59 | 8.66 | 12.86 | 13.65 | 8.73 | 12.51 |
| Median Age in 1995 | 31.4 | 33.6 | 34.7 | 32.0 | 32.0 | 33.0 |
| Percent Over 65 Years of Age in 1995 | 8.05 | 9.38 | 12.44 | 12.87 | 8.22 | 12.27 |
| Median Age in 2000 | 31.10 | 35.30 | 35.30 | 32.01 | 34.17 | 33.8 |
| Percent Over 65 Years of Age in 2000 | 7.41 | 8.60 | 11.93 | 11.78 | 7.95 | 11.51 |
| Median Age in 2005 | 31.1 | 33.1 | 36.5 | 33.8 | 35.7 | 33.8 |
| Percent over 65 Years of Age in 2005 | 7.04 | 8.19 | 11.57 | 11.20 | 8.04 | 11.00 |

* For 1970

Sources: *Illinois Population Trends 1990 to 2020*, State of Illinois, 1997 Edition; *Economic Profiles of DuPage, Grundy, Kankakee, Kendall, and Will Counties*, IDCC; *County and City Data Book* - selected years, Bureau of the Census; *1997 County and City Extra, Annual Metro, City, and County Data Book*, edited by George E. Hall and Deirdre A. Gaquin. (Berman Press: Lanham, MD)

Income

Examining the economic well-being of the county population in terms of income, Will County compares favorably with the surrounding counties and the state. (See Tables 1-8 and 1-9.) Growth rates for both the Will County median and per capita income levels from 1970 to 1990. For example, between 1980 and 1990, median incomes changes among the counties ranged from a low of 62.7 percent (Grundy County) to a high of 77.7 percent (DuPage County). The increase for Will County was 76.6 percent. The Will County 1990 median income was \$41,195. While this level was only about 85 percent of that of DuPage, it was almost 28 percent higher than the median income for the state, 15 percent higher than the median income for Grundy County and 45 percent higher than the median income for Kankakee.

The income strength of Will County changes somewhat, however, when comparing per capita income. For example, while over the state on median income, the county per capita income is almost equal to that of the state in 1990 but by 1995 is almost nine percent below the state. In addition, the 1995 Will County per capita income (\$23,172) is fourth among the five counties with the range from a low of \$20,142 in Grundy County and a high of \$35,275 for DuPage County.

Table 1-8

Median Household Income and Per Capita Income, in Dollars and Percentage Change for the Five Study-Area Counties and the State for Selected Years, 1970 Through 1995

| Classification/ Location | YEARS | | | | PERCENTAGE CHANGE | | |
|-----------------------------|--------|--------|--------|--------|-------------------|---------|---------|
| | 1970 | 1980 | 1990 | 1995 | 1970-80 | 1980-90 | 1990-95 |
| Median Income: | | | | | | | |
| Will County | 11,791 | 23,329 | 41,195 | N/A | 97.9 | 76.6 | N/A |
| DuPage County | 14,458 | 27,509 | 48,876 | N/A | 90.3 | 77.7 | N/A |
| Grundy County | 10,982 | 21,678 | 35,728 | N/A | 97.4 | 64.8 | N/A |
| Kankakee County | 10,445 | 17,382 | 28,284 | N/A | 66.4 | 62.7 | N/A |
| Kendall County | 11,929 | 24,513 | 42,834 | N/A | 105.5 | 74.4 | N/A |
| Illinois | 10,959 | 19,321 | 32,252 | N/A | 76.3 | 66.9 | N/A |
| Per-Capita Income | | | | | | | |
| Will County | 3,392 | 7,068 | 15,186 | 23,172 | 108.4 | 114.9 | 52.6 |
| DuPage County | 4,262 | 10,473 | 21,155 | 35,275 | 145.7 | 102.0 | 66.7 |
| Grundy County | 3,292 | 8,167 | 14,474 | 24,037 | 148.1 | 77.2 | 66.1 |
| Kankakee County | 2,906 | 7,041 | 12,142 | 20,142 | 142.3 | 72.4 | 65.9 |
| Kendall County | 4,851 | 8,504 | 16,115 | 23,624 | 75.3 | 89.5 | 46.6 |
| Illinois | N/A | 8,066 | 15,201 | 25,293 | N/A | 88.5 | 66.4 |

Sources: *Economic Profiles* of Will, DuPage, Grundy, Kankakee, and Kendall Counties, Office of Policy Development, Planning and Research, Illinois Department of Commerce and Community Affairs; *County and City Data Book* - selected years, Bureau of the Census; '1997 *County and City Extra, Annual Metro, City, and County Data Book*, edited by George E. Hall and Deirdre A. Gaquin. (Bernan Press: Lanham, MD); 1970, 1980, 1990 *Census of Population, Characteristics of the Population*, Illinois, Section 1.

A community's economic health can also be viewed by examining the composition and extent of those in the community living at or below the poverty level income. In 1990, 6 percent of the Will County population (21,024 persons) and 4.5 percent of its families (4,242 families) were below the poverty level. (See Table 1-9 below.) Fifty-one percent of the families living in poverty were headed by a single female and 76.5 percent of those families had children under the age of 18. For the state of Illinois, the percentages in each of those categories were higher. Within the five county area, however, Will County had a greater incidence of poverty within its population than did DuPage and Kendall counties. DuPage had the least incidence with only 2.7 percent of its population (20,948) and 1.7 percent of its families (3,676 families) living below the poverty level.

Table 1-9
Poverty Level by Number and Percent of Total, for the Five Study-Area
Counties and the State, for 1990

| Poverty Indicators | Will County | DuPage County | Grundy County | Kankakee County | Kendall County | State of Illinois |
|------------------------------------------|----------------|------------------|------------------|--------------------|-------------------|----------------------|
| Persons Below Poverty Level ¹ | 21,024 | 20,948 | 2,116 | 12,312 | 1,327 | 1,326,731 |
| Percent of Population | 6.0 | 2.7 | 6.6 | 13.3 | 3.4 | 11.9 |
| Families Below Poverty Level | 4,242 | 3,676 | 485 | 2,640 | 266 | 264,413 |
| Percent of All Families | 4.5 | 1.7 | 5.4 | 10.6 | 2.5 | 9.0 |
| Poor Female Head of Household | 2,162 | 1,763 | 174 | 1,617 | 145 | 150,913 |
| Percent of Poverty Level Families | 51.0 | 48.0 | 35.9 | 61.3 | 54.5 | 57.1 |
| Poor Families with Children Under 18 | 3,245 | 2,686 | 153 | 2,138 | 214 | 210,142 |
| Percent of Poverty Level Families | 76.5 | 73.1 | 31.5 | 81.0 | 80.5 | 79.5 |
| All Families | 93,409 | 210,250 | 8,922 | 25,003 | 10,779 | 2,937,922 |
| All Persons | 348,389 | 771,641 | 31,979 | 92,594 | 39,199 | 11,149,000 |

¹ Poverty levels for 1990 are defined as follows: 1 person - income less than \$6,311; 2 persons - \$8,076; 3 persons - \$9,885; 4 persons - \$12,675; 5 persons - \$14,990; 6 persons - \$16,921; 7 persons - \$19,162; 8 persons - \$21,328; 9 or more persons - \$25,480; N/A -- Not Available.

Sources: *County and City Data Book* - selected years, Bureau of the Census; *1997 County and City Extra, Annual Metro, City, and County Data Book*, edited by George E. Hall and Deirdre A. Gaquin. (Berman Press: Lanham, MD)

Education

As of the 1990, 33.2 percent (71,658 persons) of the Will County population were high school graduates or held an equivalency, 22.47 percent (48,498 persons) had some college, but no degree, and 6.72 percent (14,513 persons) had an associate-level degree. (See Table 1-10.) For the other four counties, these percentages were 25.71, 22.06 and 6.64 respectively. For the state, they were 30.0, 19.4 and 5.8 respectively. For these levels of education, Will County was ahead of others in the area and the state proportions as well. Of the Will County population, about 18 percent (38,918 persons) held a bachelor, graduate or professional degree in 1990 while for the other four counties, the figure was almost one-third, 32.11 percent and for the state it was 21.1 percent. In these latter two categories, Will County population does not compare as well as it does at the high school through associate degree levels of education. Within the economic development context, this circumstance presents both labor force development and quality of life issues for the county.

Table 1-10
Educational Characteristics of the Population Over 25 Years of Age, for the Five County Study-Area and the State, for 1990

| Level of Education | Will County | | Four-County* | | Illinois (%) |
|----------------------------------------------------------|----------------|---------------|----------------|---------------|------------------|
| | Number | (%) | Number | (%) | |
| Less Than 9 th Grade | 14,712 | 6.82 | 31,004 | 5.11 | 10.3 |
| 9 th to 12 th Grade but no Diploma | 27,524 | 12.75 | 50,744 | 8.36 | 13.5 |
| High School Graduate/Equivalency | 71,658 | 33.20 | 156,046 | 25.71 | 30.0 |
| Some College but No Degree | 48,498 | 22.47 | 133,882 | 22.06 | 19.4 |
| Associate Degree | 14,513 | 6.72 | 40,301 | 6.64 | 5.8 |
| Bachelor Degree | 26,212 | 12.15 | 130,321 | 21.47 | 13.6 |
| Graduate or Professional Degree | 12,706 | 5.89 | 64,560 | 10.64 | 7.5 |
| Persons 25 Years and Over | 215,823 | 100.00 | 606,858 | 100.00 | 7,293,930 |
| High School Grad or Higher | 173,587 | 80.43 | 525,110 | 86.53 | 76.2 |
| Bachelor's Degree or Higher | 38,918 | 18.03 | 194,881 | 32.11 | 21.0 |
| Total Enrollment | 101,606 | 100.00 | 255,771 | 100.00 | 3,031,673 |
| - College Enrollment and Rates** | 23,211 | 22.84 | 70,111 | 27.41 | 27.99 |
| - High School Dropouts & Rates** | 2,040 | 2.01 | 2,900 | 1.13 | 2.31 |

* Four counties are DuPage, Grundy, Kankakee, and Kendall; ** Rates are calculated as a percentage of total enrollments.

Source: *Economic Profiles of Will, DuPage, Grundy, Kankakee, and Kendall Counties*, Illinois Department of Commerce and Community Affairs; *County and City Data Book* - selected years, Bureau of the Census; '1997 *County and City Extra, Annual Metro, City, and County Data Book*, edited by George E. Hall and Deirdre A. Gaquin. (Berman Press: Lanham, MD); *1990 Census of Population and Housing Survey*, Tape File 3A.

Housing

As of the 1990 Census of Population, Will County had 122,870 housing units of which over 95 percent were occupied. (See Table 1-11.) Of the occupied properties, over three-fourths (77.4 percent) were occupied by the property owner and less than one-fourth (22.6 percent) occupied by renters. Compared to the surrounding counties, Will County had the highest owner occupied, and thus, the lowest renter occupied properties within the study area.

Table 1-11
Housing Units by Number, Occupancy Rates, and Values, for The Study-Area Counties and State, for 1990

| Location | Housing Units | Percent Occupied | Percent Vacant | Percent Owner Occupied | Percent Renter Occupied | Median Value* (\$) | Median Rent (\$) |
|-----------------|------------------|------------------|----------------|------------------------|-------------------------|--------------------|------------------|
| Will County | 122,870 | 95.17 | 4.83 | 77.4 | 22.6 | 89,900 | 377 |
| DuPage County | 292,537 | 95.49 | 4.51 | 74.4 | 25.6 | 137,100 | 568 |
| Grundy County | 12,652 | 94.68 | 5.32 | 69.8 | 30.2 | 71,900 | 319 |
| Kankakee County | 37,001 | 93.57 | 6.43 | 66.8 | 33.2 | 54,700 | 273 |
| Kendall County | 13,747 | 96.76 | 3.24 | 76.9 | 23.1 | 99,700 | 416 |
| Illinois | 4,506,275 | 93.90 | 6.70 | 64.2 | 35.8 | N/A | N/A |

* Median value of owner occupied housing units; N/A Not Available

Sources: *Economic Profiles of Will, DuPage, Grundy, Kankakee, and Kendall Counties*, Office of Policy Development, Planning and Research, Illinois Department of Commerce and Community Affairs; *1995 Illinois Statistical Abstract*.

According to the U.S. Bureau of the Census, Construction Statistics Division, the growth of new single-family homes in Will County, as measured by new single-family home building permits issued, was steady between 1990 (2,391 permits issued) and 1995 (4,335 permits issued), an increase of 81.3 percent. The average home value of the permits

issued increased from \$98,544 in 1990 to \$111,914 in 1995 marking an increase in home values of 13.6 percent over the period. The rate at which single-family home building permits are being issued pairs well with the growth rate in population noted earlier, i.e., 13 percent by the year 2000.

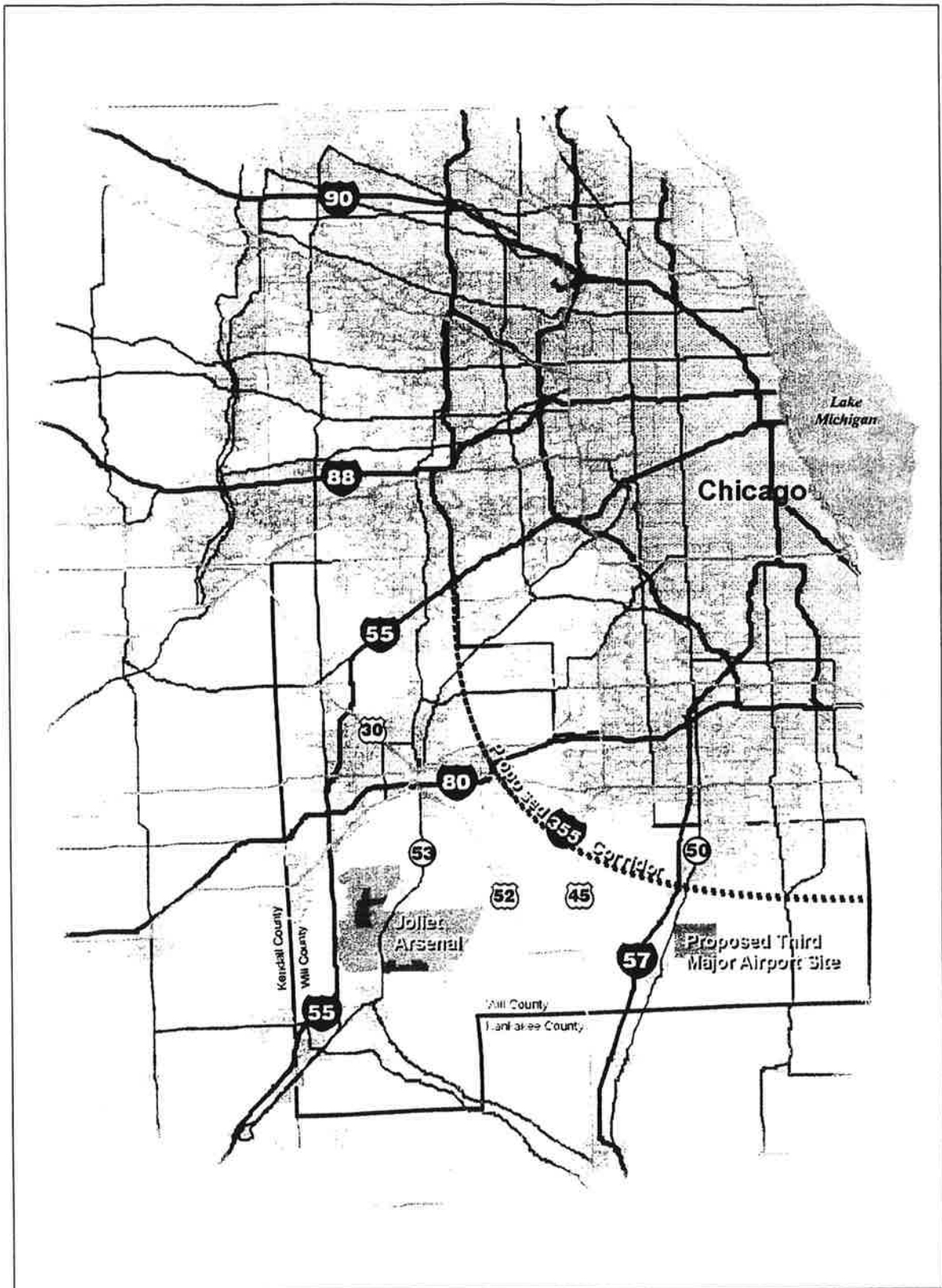
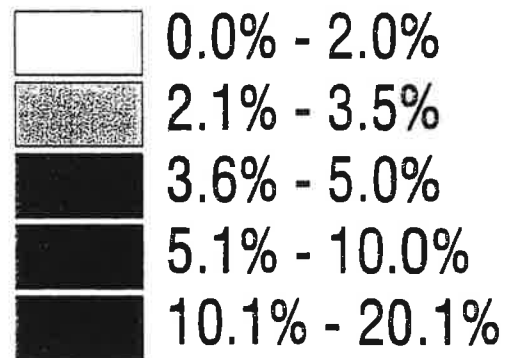
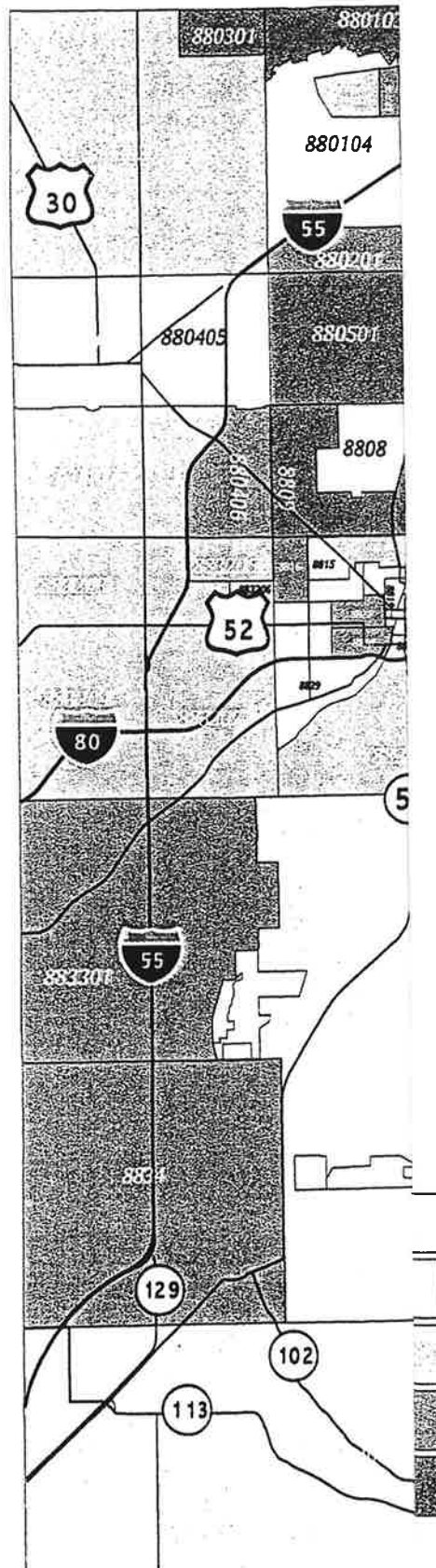


Exhibit 1-1: Location Map



**Will County Unemployment Rate
by Census Tract, 1997**



100 - 1800
 1801 - 2600
 2601 - 3200
 3200 - 3800
 3801 - 6139

**bit 1-2: Will County Labor Force by
Census Tract, 1997**

Local Assets and Liabilities

Section Two

Section Two

Local Assets and Liabilities

Regional Assets and Liabilities

Assets and liabilities of the Arsenal location include the following items:

Assets

Transportation

1. Situated in the transportation capital of North America.
2. Excellent transportation access via Interstates 55, 57 and 80.
3. Air transportation potential with 3rd airport site.
4. I-55 / I&M Canal location.
5. Extensive rail network radiating from Chicago.
6. Proximity to three rail lines.
7. Barge traffic on Des Plaines River.
8. Close proximity to O'Hare and Midway airports.
9. Little or no traffic congestion.
10. Above-average regional transportation industry growth.
11. 50 minutes from the Chicago loop.
12. Rail access from Burlington Northern Santa Fe and Union Pacific.

Infrastructure

13. Extensive water resources (wells and river)
14. Thermal power opportunities with refinery and high voltage power line

Land Use

15. Significant size (3,000 acres)
16. Unlike green sites, no farmland will be taken
17. Significant conservation/natural areas
18. Limited land available elsewhere for rail spur development
19. Surrounded by open space

Socioeconomic

20. Available low/moderate income workforce
21. Strong high school/some college/associate's degree workforce
22. Political support for development
23. Pro-growth area communities
24. High forecast population growth
25. Stable economy
26. Abundance of available training
27. Potential of lower development cost
28. Will County tax advantage over Cook & DuPage Counties (See Tables 2-1 and 2-2)

Table 2-1
Industrial Tax Advantages

| County | Taxes Per Assessed \$100 |
|---------------------------------------------------------------------------------|--------------------------|
| Cook | \$9.25 |
| Lake | 7.65 |
| Kane | 7.45 |
| DuPage | 6.74 |
| Will | 4.53 |
| Source: 1996 Average Tax Rates, Industrial Land, Illinois Department of Revenue | |

Table 2-2
Competitive Tax Advantage

| Location | Taxes Per Square Foot |
|-----------------------------------------------------|-----------------------|
| Chicago, Cook County | \$4.93 |
| Northbrook, Cook County | \$4.91 |
| Countryside, Cook County | \$4.11 |
| Deerfield, Lake County | \$2.42 |
| Elgin, Kane County | \$2.36 |
| Naperville, DuPage County | \$2.08 |
| Bolingbrook, Will County | \$1.65 |
| Source: Crain's Chicago Business, November 24, 1997 | |

Liabilities

Transportation

1. Deficient county road network
2. At-grade rail crossings on both north/south and east/west roads into Deer Run
3. No direct rail access to Island City park

Infrastructure

4. Lack of useable infrastructure
5. No significant available buildings
6. Costly demolition necessary for development
7. Costly rail reconstruction

Land Use

8. Pocket growth in industrial development, i.e. significant competition
9. Widely dispersed environmental contamination
10. Uncontaminated green grass sites available nearby
11. Scattered wetlands, primarily at the east site

Socioeconomic

12. Low per capita income

13. Lower ratio of bachelors or higher college graduates in comparison to other collar counties
14. Low unemployment rates in all metro Chicago counties
15. Warehousing/distribution industries have low employment ratios
16. Warehousing and distribution market has been saturated recently
17. Intense competition among developers and sites
18. Lack of consensus on area development plans
19. Extensive competition for a small pool of manufacturing and light assembly prospects

Site Specific Assets and Liabilities

The west site, or Deer Run Industrial Park, is located on 1,900 acres that formerly comprised the manufacturing area of the Arsenal west of Illinois 53. Deer Run Industrial Park is located adjacent to the Abraham Lincoln National Cemetery, the Midewin National Tallgrass Prairie and due east of the Mobil Oil Refinery. The east site, or Island City Industrial Park, is located east of Illinois 53 and comprises 1,100 acres. Most of the east site is currently vacant except for one tenant, Alliant Techsystems, a munitions manufacturer. Other facilities located on this site include the former "White Circle" housing area and the former target range to the east of the site. Island City Industrial Park is adjacent on its northern border to the proposed Will County Landfill. A Vicinity Map is included as Exhibit 2-1.

Deer Run Industrial Park (West Site)

Assets:

- **Parcel size**
The size of the site, by itself, makes it one of the largest available individual industrial sites in the Chicago area. At 1,900 acres, the possibilities for industrial development are not site-constrained.
- **Area transportation facilities**
Regionally, the site is located near the junction of Interstates 55 and 80. It is also located approximately 20 miles west of Interstate 57. The junction of these three major transportation lines lends the site access to the North American transportation system. Burlington Northern Santa Fe and Union Pacific run freight lines through the area.
- **Water Resources**
The site's five deep-water wells and two river pumping stations offer water resources not found in any other area in the southwest suburbs. At a time when water resource allocation is gaining momentum in northeastern Illinois, the Deer Run site offers a water distribution resource for itself and other neighboring communities.

- **Power Availability**
The availability of an efficient energy source combined with access to major distribution capacity offers the potential for marketable power generation capabilities to provide power to tenants as well as outside the park via the power grid network. Specific assets include:
 - **Power source** via on site or nearby major natural gas transmission lines. These large lines (30"-36") include lines owned by Natural Gas Pipeline Company of America, Peoples Gas, Light and Coke Company, and Nicor Gas Company. The ability to supplement these resources with available by-product from the adjacent Mobil Oil refinery further enhances the ability to provide affordable power.
 - A **major distribution network** via the Commonwealth Edison high voltage lines that run through the Deer Run site along the northern edge.
 - Ample and available **water source** options as previously addressed provides cost-effective cooling supply.
- **Land Use**
The site is located due west of the new Abraham Lincoln National Cemetery, the largest addition to the national cemetery system since the creation of Arlington National Cemetery. The Midewin National Tallgrass Prairie surrounds the rest of the park. This prairie comprises the single largest prairie installation east of the Mississippi River. This setting would be difficult to match in the Chicago area.

Liabilities:

- **Access**
Access to the site is poor, with many upgrades needed in the transportation system to accommodate industrial activity. Internal site infrastructure is merely gravel paths trailing through former manufacturing areas.
- **Environmental Status**
The inability of the Army to transfer the entire parcel at this time hampers unified development efforts. As well, assurance of developers that environmental status is acceptable and liability belongs to the Army is essential to attracting development.
- **Site Condition**
Demolition is underway of concrete foundations, footings and streets. This demolition is costly and requires lengthy cleanup times. No development can occur until these actions are substantially completed. (More discussion in Sections 3 and 7)

- **Utility Infrastructure**
Although there is a water treatment facility and distribution system at the site, the condition and location of these facilities decreases their utilization potential. The water treatment plant will require extensive modernization and rehabilitation to operate at the industrial park facility.

Island City Industrial Park

Assets:

- **Parcel size**
The site's 1,100 acres, stretching along three-miles, lends it a similar opportunity for large-scale development as the Deer Run site.
- **Area transportation facilities**
The site has direct access to Illinois 53. In addition, the site has easy access to Interstates 55 and 80. Interstate 57 is also located approximately 20 miles east of the site.
- **Utilities**
The City of Wilmington is planning to provide water and sewer services to the site. Water lines are currently being planned and installed to service the site upon annexation.

Liabilities:

- **Utilities**
Although the City of Wilmington is eager to expand basic city services to the park, water and sewer treatment facilities are needed to service a development of this size.
- **Timing**
The Island City site, due to its location, is highly unlikely to develop as quickly as the Deer Run site. Industrial development at the Deer Run site will likely spawn development at Island City.
- **Environmental remediation**
Due to the fact that a military contractor is yet to cease operations at the Island City site and environmental remediation is to begin in late 1999, actual transfer of the remaining property from the Army to JADA may take several years.
- **Access Infrastructure**
Access roads to the site, particularly South Arsenal Road, are in need of extensive rehabilitation to allow industrial traffic in and out of the park.

- Landfill
The proximity of the site to the proposed Will County Landfill will introduce significant challenges to the marketing and development of a high-quality industrial park.

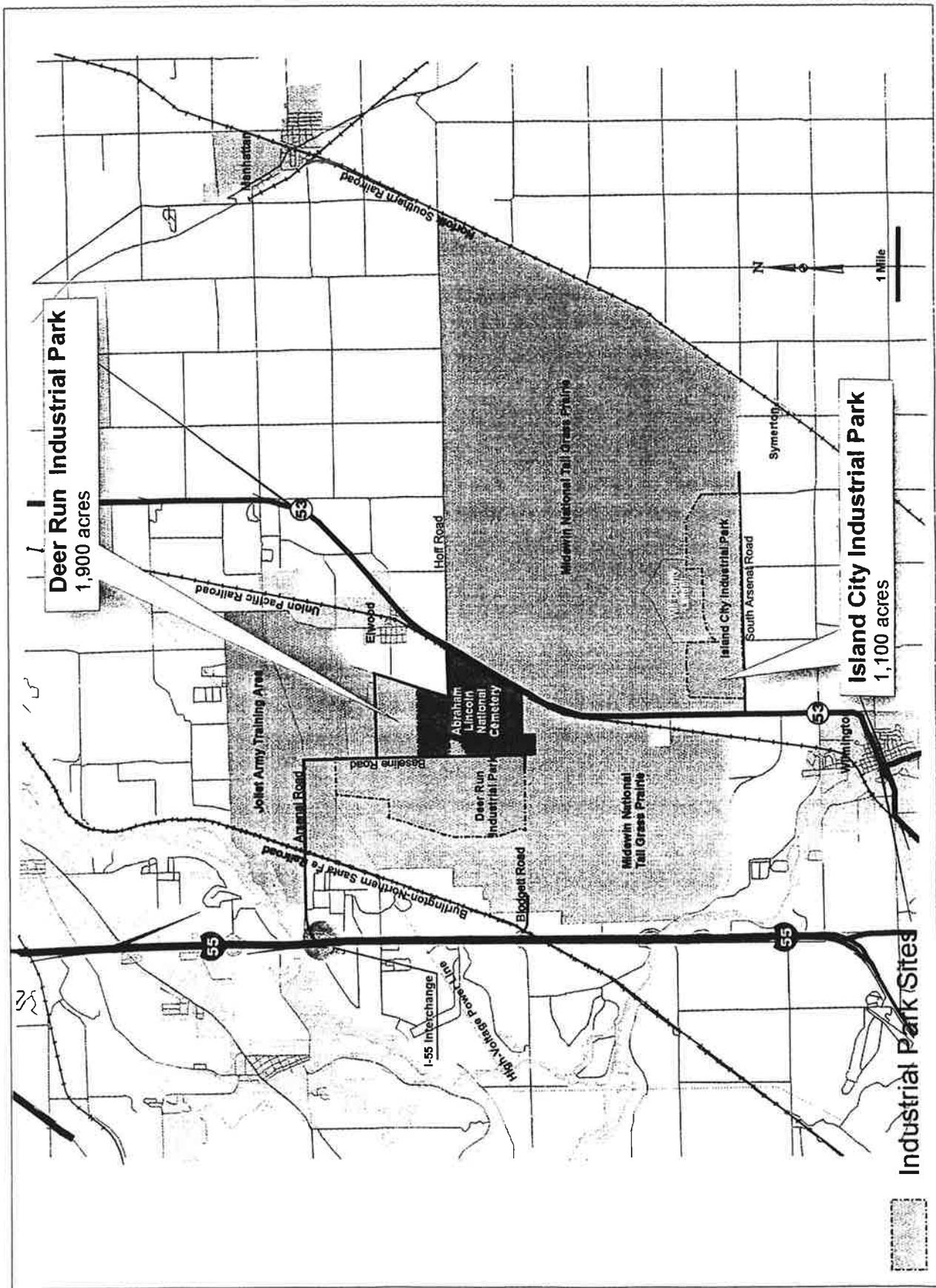


Exhibit 2-1: Vicinity Map

Identification of Plant Facilities

Section Three

Section Three

Identification of Plant Facilities

Access

Access to the west site is from Baseline Road, which connects to Arsenal Road. This road was not transferred to Will County in the transfer of the Arsenal and is still the property of the Army. Because of this, JADA has completed a dedication of the roadway to ensure maintenance and accessibility to the west industrial park. At this point, a major upgrade of Baseline Road and Arsenal Roads and rehabilitation of the Jackson Creek Bridge is needed to sustain heavy truck traffic into the park.

The east site is accessed via South Arsenal Road to Illinois 53. South Arsenal Road will require reconstruction of three miles. Regionally, the parks have excellent access to Interstates 55, 57 and 80. The interchange at Interstate 55, however, cannot currently sustain heavy truck traffic and is in need of capacity enhancement. These primary interstates offer excellent access to the national transportation system and all regions of the U.S.

Water

The following is a description of the JADA existing water source, treatment, storage, and distribution facilities. This particular infrastructure has been the subject of much study and analysis by others. The focus on water facilities is encouraged by the needs of not only the reuse of JADA properties but by the potential opportunity that these facilities present towards the development of a regional water system. The following is a brief synopsis of the findings and recommendations being made with regard to the reuse of existing water facilities.

Deer Run Industrial Park - West MFG Area

Source

The water system for the West MFG area utilized the following sources of water: deep wells, the Kankakee River and the Des Plaines River. Note that there were also six shallow dolomite wells, which were used for non-potable uses.

Deep Wells

The entire Arsenal system of deep wells consists of fourteen deep wells. Twelve of the deep wells served the West MFG area of the Arsenal. Of the twelve, five are located within the boundaries of the Deer Run site. The deep wells draw their water from the Cambrian-Ordovician aquifer. All wells are cased, typically 22 inch diameter, to seal off unconsolidated deposits. Ten of the fourteen wells were installed in 1941 and 1942.

Well Nos. 6, 7, 9, and 10 range in depth from 1,569 to 1,649 feet. During the Arsenal operation, water from these four wells was chlorinated and pumped into a 100,000 gallon elevated tank. The pumping capacities ranged from 1,000 to 1,400 gallons per minute (gpm) and the pump settings ranged from 450 to 700 feet in depth. All of the well pumps have been removed and have been placed in storage.

The twelve wells in the west area were connected to each other and the storage tanks by a well water collection system, which ranged in size from 16" to 24". The well collection system was constructed of welded steel in the 1940's¹. This collection system is depicted on Exhibit 3-1.

Water Quality of Existing Wells

Samples from the west area wells were collected and analyzed as part of a previous study. Slightly elevated levels of lead and zinc were detected. Sampling also found radon-222 at levels up to 120 +/- 20 pCi/L. Elevated iron and manganese concentrations were also detected. An ion exchange system was installed to reduce the levels of radium 226.

Elevated levels of sodium, chloride and dissolved solids were found within the east area distribution system but are thought to be related to the ion exchange water softening process.

Naturally occurring levels of radium above USEPA Drinking Water Standards are present in the groundwater. Two wells, Well Nos. 9 & 10, were recently tested for radium. The radium levels in Well No. 10 are within the existing guidelines. The radium levels in Well No. 9 were in excess of existing guidelines².

Reuse of Existing Wells

The five deep wells located on the Deer Run site are expected to be available for reuse following the transfer of the property from the Army. The five wells intended for reuse are as follows: Wells 6, 7, 8, 9 & 10. These wells were constructed in the 1940s and are located along Baseline Road (see Exhibit 3-2). It is intended that Wells 9 & 10 would be brought online first to serve the JADA system alone³.

River Water

The Arsenal is located just east of the confluence of the Des Plaines and Kankakee Rivers. Water from the Des Plaines River was pumped from a backwash area via the North Pump Station which is located on a backwater of the Des Plaines River upstream of the I-55 Bridge. The North Pump Station was built in 1941 and had five pumps rated

¹ From letter to Rick Kwasneski, Executive Director of JADA, dated June 4, 1998 by Robert Ehlers of Strand Associates, Inc.

² From Water Project Status Report to Rick Kwasneski, Executive Director of JADA, dated September 18, 1998 by Dave Neal of the Law Offices of Dave Neal and Associates.

³ From letter to Rick Kwasneski, Executive Director of JADA, dated June 4, 1998 by Robert Ehlers of Strand Associates, Inc.

at 860 gpm each. Water from the Kankakee River was pumped via the South Pump Station which is located on a backwater of the Kankakee River near the confluence of the Des Plaines River. The South Pump Station, considered to be in fair condition was also built in 1941 and had 3 pumps rated at 770 gpm each. Both the North and South Pump Stations have been shut down since 1976⁴. Water from each Pump Station was then transmitted to the Filtration Plant via a 42" welded steel transmission main (See Exhibit 3-2). Raw river water was used as cooling water for various manufacturing processes and as a supply for the treatment plant.

Reuse of River Water Facilities

The North Pump Station (Des Plaines River) is anticipated for reuse for non-potable cooling or process water. The South Pump Station (Kankakee River) is anticipated for reuse for public water supply following treatment⁵. Significant upgrades would be required for both stations. A recent engineering analysis was conducted to determine the cost for rehabilitating the DesPlaines facility. Based on assumptions regarding potential demand, probable costs are estimated at \$5,350,000.⁶

Water Treatment

The Arsenal water supply system consists of three treatment plants, two in the west area and one in the east area. The west area filtration plant, filtered and treated river water from the Des Plaines and Kankakee Rivers. The water was then used as boiler feed water at the two power plants. A Lime Softening Plant, rated at 8 MGD, is located in the Deer Run park and is in good condition. Reuse of the facility is possible for either radium removal from well water or cleaning and filtration of river water. It would require modification and upgrade to meet current water quality standards. There are currently no facilities for lime sludge storage or disposal⁷.

Elevated Storage

There exists a number of elevated storage tanks in the Deer Run site. Two of those elevated tanks have been identified for future reuse. These two towers (503-3-2 and 503-4) are located west of Well 9. The taller of the two elevated tanks is Tower 503-3-4 with an estimated overflow of 720 feet (msl). The other elevated tank, Tower 503-3-2, has an estimated overflow of 713 feet (msl)⁸. Over 50 years old, these tanks would serve the initial start-up phase of the development and eventually be replaced as development

⁴ From letter to Rick Kwasneski, Executive Director of JADA, dated June 4, 1998 by Robert Ehlers of Strand Associates, Inc.

⁵ *ibid*

⁶ From letter to Rick Kwasneski, Executive Director of JADA, dated April 12, 1999 by Robert Ehlers of Strand Associates, Inc.

⁷ From letter to Rick Kwasneski, Executive Director of JADA, dated June 4, 1998 by Robert Ehlers of Strand Associates, Inc.

⁸ From interoffice memo to Rob Ehlers, Strand Associates, Inc., dated March 11, 1998 by Jerry Groth of Strand Associates, Inc.

expands. It is anticipated that no repairs will be required to utilize either of the existing elevated tanks⁹.

Water Transmission and Distribution System

The existing water transmission and distribution system for the west portion of the Arsenal consists of watermains ranging in size from 4" to 42" diameter. The distribution piping is over 50 years old, and 101.5 miles in length. The 42' transmission mains from the River Pump Stations to the Filtration Plant consists of welded steel, constructed in 1941. The mains are reported to have been in good condition in 1976 at the time of shut down, but have not tested since¹⁰. There is a system of piping ranging in size from 12" to 20" which interconnects the wells, storage tanks, and water treatment plants.

Reuse of Distribution System

Valves are indicated to be inoperable on all systems. The potential for reuse of the well interconnect piping is also highly doubtful¹¹. Upgrading or replacement of the system will require a substantial investment. Selective main and valve, and hydrant replacements, and polyethylene pipe lining could limit costs associated with a new system.

Island City Industrial Park - East LAP Area

Unlike the West site, there exists no on site water supply, storage or treatment facilities for the Island City site. The deep wells that previously served the East LAP Area are located on Forest Service property and therefore not intended for reuse. The same is true for treatment and storage facilities. The existing water distribution system will also need to be replaced due to the condition of the valves and substandard fire hydrants. The need for water supply to the Island City park is being addressed by the City of Wilmington. The city is currently planning a 1-1/2 mile extension of their existing system to serve the new industrial park following annexation of the site to the City.

Sanitary Sewer

There is no sewage treatment facility available to JADA in the current transfer. The one plant that is still in existence at the Arsenal is located on U.S. Forest Service property. That facility would require a land swap with the Forest Service at fair market value, which would run into high costs for the existing plant that would require rehabilitation.

⁹ From letter to Rick Kwasneski, Executive Director of JADA, dated December 18, 1997, by Jerry Groth of Strand Associates, Inc.

¹⁰ From Water Project Status Report to Rick Kwasneski, Executive Director of JADA, dated September 18, 1998 by Dave Neal of the Law Offices of Dave Neal and Associates.

¹¹ From interoffice memo to Rob Ehlers, Strand Associates, Inc., dated June 4, 1998 by Rob Ehlers of Strand Associates, Inc.

The east site has no sewer connection at this time. It is anticipated that a connection will be made with the City of Wilmington in the future as the east site is annexed. The village boundaries are currently 1 – 1.5 miles southwest of the Island City Industrial Park.

Gas & Electric

Utility infrastructure (gas, electric) at the sites has been removed or abandoned by the Army as part of their liquidation contract. New utilities will need to be constructed for future development at the parks.

Structures

The U.S. Army, under their liquidation contract with JADA, has removed or will remove nearly all of the buildings originally comprising the former Arsenal in the West site. The structures that will remain on the west site include the water treatment plant and the pump houses for the deep water wells.

JADA has the responsibility for the removal of remaining structures on the East site. These include the Alliant Techsystems facility and the “White Circle” housing area. Currently there is no schedule or funding in place to initiate these removals.

Concrete

Although the Army was required by its liquidation contract to remove all buildings, aboveground storage tanks, aboveground piping and steel supports, JADA is responsible for the removal of all concrete footings, foundations, slabs and piers. An estimated \$10 million in concrete cleanup is needed to prepare the sites for development. Funding is needed to continue cleanup activities (more discussion in Section 7 “Impediments to Development”).

The Army has assured JADA that all concrete in the current transfer is free of contamination. This concrete will be crushed and used as aggregate base for new roads and rail beds. Any contaminated concrete in future transfers will be remediated by the Army prior to transfer. JADA is responsible for cleanup of this concrete before grading activities can begin.

Land Transfer

Currently, the Army is preparing to transfer 1,300 acres of the west site and approximately 705 acres of the east site to JADA. It is estimated that this transfer will occur by the end of the year. Additional transfer areas will be conveyed to JADA upon completion of environmental obligations by the Army. A total of 482 acres on the west site and 394 acres on the east site are being held pending environmental remediation. The timing of these transfers is unknown at this time. Exhibit 3-3 shows the status of parcel transfer at the Arsenal.

Environmental Sites

Background

The environmental impacts associated with the proposed transfer of the Arsenal property have been analyzed in accordance with the National Environmental Policy Act (NEPA) and Army Regulation 200-2. The results of this analysis were documented in an Environmental Assessment (EA) and subsequent "Finding of No Significant Impact" dated November 20, 1997 (provided under separate cover). The environmental effects of the activities anticipated under the transfer were determined by the Army not to be significant. As stated in section 6, page 6 of the EA, an Environmental Impact Statement (EIS) was therefore not warranted.

The proposed transfer was also addressed in a "Finding of Suitability to Transfer" (FOST) document completed by the Army in June, 1998 (revised August, 1998 and provided under separate cover). The purpose of the FOST was to document the environmental suitability of certain parcels to be transferred to JADA for development as industrial parks. It also identifies any use restrictions necessary to protect human health and the environment and to protect interference with any on-going remediation activities. The determination of the environmental conditions of the proposed property was based on a document titled, "Enhanced Preliminary Assessment Screening/Environmental Baseline Survey, Land Transfer to the State of Illinois for Industrial Parks, September 1997." This document contains and summarizes numerous other documents, records and archives on the site. Section 6 of the FOST also clarifies that the proposed transfer is consistent with the reuse alternatives stated in the already referenced environmental assessment document and with the intended reuse of the property set forth in the Reuse Plan created by the Joliet Arsenal Citizens Planning Commission.

Based on the findings, the identified parcels were determined by the Army to be transferable under CERCLA section 120(h)(3), subject to certain terms, conditions reservations, and restrictions as set forth in the FOST. As stated in the previous section, the transfer of a total of 482 acres on the west site and 394 acres on the east site is being deferred pending environmental remediation.

The U.S. Army remediation plan for the Arsenal property was negotiated with the United States Environmental Protection Agency (USEPA) and the Illinois Environmental Protection Agency (IEPA) and documented in the "Record of Decision: Soil and Groundwater Operable Units" dated October, 1998. These two operable units (OUs) are further broken down into individual sites where contaminated soils, sediments and debris are identified. The ROD describes the characteristics of each site, identifies potential risks and evaluates various alternative methods for remediation. The ROD presents the selected remediation for seven soil remediation units (SRUs) and three groundwater units (GRUs) over the entire Arsenal property. The JADA properties contain six of the SRUs and one of the GRUs.



STRATEGIC PLAN

for development of the
Joliet Arsenal Development Authority
property

Executive Summary

From Swords
to Plowshares

UIS

University of Illinois at Springfield



CMT

Crawford, Murphy & Tilly, Inc.

November 1999

The UIS/CMT team is especially indebted to the members and staff of the Joliet Arsenal Development Authority (JADA) for their guidance, assistance and direction of this project.

Joliet Arsenal Development Authority (JADA)

Walter Strawn, Chairman
Joseph Ward, Vice Chairman
Mattie Becker, Secretary/Treasurer
Mayor Alan Darr, Director
Mayor Arthur Schultz, Director
Mayor William Weidling, Director
Warren Dorris, Director
Jerry Gatties, Director
John Johnsen, Director
Rick Kwasneski, Executive Director

The UIS / CMT Team also wishes to express its appreciation to literally hundreds of individuals and organizations who provided valuable advice and suggestions to various members of our team throughout the plan development process. The quality of the comments received contributed greatly to the JADA strategic plan. It is essential that these many individuals and organizations, in addition to numerous others, continue to provide input to JADA's ongoing strategic management process. Space does not allow us to list all of the individuals to whom we are indebted, but the following is an abbreviated list of several key sources.

U.S. Senator Richard Durbin
U.S. Senator Peter Fitzgerald
U.S. Congressman Jerry Weller
Governor George Ryan
Senator Edward Petka
Senator Lawrence M. Walsh
Senator Patrick D. Welch
Representative Tom Cross
Representative Brent Hassert
Representative John C. "Jack" McGuire
Representative J. Phillip Novak
Representative Mary K. O'Brien
United States Veterans Administration
City of Joliet, numerous officials
City of Wilmington
County of Will, numerous officials
Village of Elwood
Joliet/Will County Center for
Economic Development
Department of the Army
USDA - U.S. Forest Service
U.S. Department of Commerce

Illinois Department of Natural Resources (IDNR)
Illinois Department of Commerce and
Community Affairs (DCCA)
Veterans Support Committee -
George Sangmeister
Regional Transportation Authority (RTA)
Metra
Pace
Midewin Alliance
Sierra Club
Open Lands
Chicago Area Transportation Study (CATS)
Northeastern Illinois Planning Commission (NIPC)
McAnarney Consulting - Tim McAnarney
Strand Associates, Inc.
Transport Development Group
GEOTECH Incorporated
CenterPoint Properties Trust
Joliet Arsenal Development Authority
Former JADA Board Members
Larry Cobb
Dr. Russ White

Contributors:

Mr. Joe Wilkins, *University of Illinois at Springfield (UIS)*
Mr. Leonard Branson, *University of Illinois at Springfield (UIS)*
Mr. Bruce Jacobson, *Crawford, Murphy & Tilly, Inc. (CMT)*
Mr. Bernie Held, *Crawford, Murphy & Tilly, Inc. (CMT)*
Mr. Roger Austin, *Crawford, Murphy & Tilly, Inc. (CMT)*
Mr. Dane Bragg, *Crawford, Murphy & Tilly, Inc. (CMT)*
Ms. Anne Baker, *Crawford, Murphy & Tilly, Inc. (CMT)*

This Economic Adjustment Strategy was accomplished by professional consultants under contract to the Joliet Arsenal Development Authority through Economic Development Administration Adjustment Strategy Grant No. 06-49-02949. The statements, findings, conclusions, recommendations and other data in this report are solely those of the contractor and do not necessarily reflect the views of the United States Economic Development Administration.

Executive Summary

This document is an Executive Summary of the Strategic Management Plan developed through the combined efforts of the University of Illinois at Springfield (UIS) and Crawford, Murphy & Tilly, Inc. (CMT) Consulting Engineers, in cooperation with the Joliet Arsenal Development Authority (JADA).



JADA Mission

As specified in Public Act 89-333, the mission of the Joliet Arsenal Development Authority is to facilitate and promote the utilization of property formerly occupied and used by the United States government as an ammunition plant and arsenal and to replace and enhance the economic benefits generated by those former uses with diversified projects and land uses that will create new job opportunities and foster new economic development within the area.



The Future

This Executive Summary will provide a historical and geographical perspective from which the current challenges and opportunities offered by this property may be fully realized. The UIS/CMT Team is enthusiastic and optimistic about the future development possibilities of this property and its rapid development potential commensurate with appropriate environmental safeguards. We believe this property will serve both as a catalyst for the region's economic development and as the southwest anchor of the developing I-55 Industrial Corridor.

STRATEGIC PLAN

for development of the
**Joliet Arsenal
Development Authority**
property

Executive Summary

Contents

| | |
|---------------------------------------|-----------|
| Introduction | 1 |
| North America's Intermodal Hub | 3 |
| The Region | 5 |
| JADA...I-55's Southwest Anchor | 7 |
| Deer Run Site Concept | 9 |
| Island City Site Concept | 11 |
| Public/Private Partnership | 12 |
| JADA - Reduces Unemployment | 13 |
| Capital Improvements Plan | 15 |
| Strategic Goals | 16 |
| Strategic Management Process | 17 |
| Citizen Involvement | 18 |
| Conclusion | 19 |

Introduction

The unique
history of the
Joliet Arsenal



The Joliet Arsenal supplied the munitions to support our war effort.

World War II

When the United States became involved in World War II over half a century ago, America accelerated its efforts to build an industrial complex at home to supply its armed forces fighting in distant lands. An integral component of that effort opened in 1941 at a federally-owned site 40 miles southwest of Chicago. It occupied 23,500 acres where the weapons of warfare were manufactured and assembled. Up to 57% of the Army's TNT was produced at this facility that came to be known as the Joliet Army Ammunition Plant (JOAAP).

Korea and Vietnam Conflicts

The Plant served as a major employer in Will County throughout World War II as well as during the Korean and Vietnam conflicts. Thousands of area residents worked at the plant which employed nearly 12,000 people in the 1940s and 8,000 in the 1960s. People migrated to the Joliet community to find work at the plant. In 1976, that production dramatically declined and the plant was declared excess Army property in 1993.

End of Cold War

The Joliet Arsenal represents a classic example of the downsizing of America's military infrastructure. The Will County area faces the same opportunities and challenges faced by hundreds of communities nationwide which have endured base closures and/or realignment over the past decade. History has shown that turning "swords to plowshares" requires combining a cooperative spirit with a creative vision and securing the financial resources necessary to carry out that conversion.



Will County men and women worked to support our fighting forces.



Challenges and Opportunities

As part of the Illinois Land Conservation Act of 1995, Public Law 104-106 sponsored by Congressman Weller, the transition has begun on the vast majority of the JOAAP facility. This includes land that was transferred to U.S Forest Service (19,000 acres) and the Department of Veterans Affairs (1,000 acres) where two public facilities of national significance are being established – the Midewin National Tallgrass Prairie and the Abraham Lincoln National Cemetery. The challenge that remains is to determine the process necessary to transform the remaining land into a source of regional economic development and peacetime job opportunities.



The Future

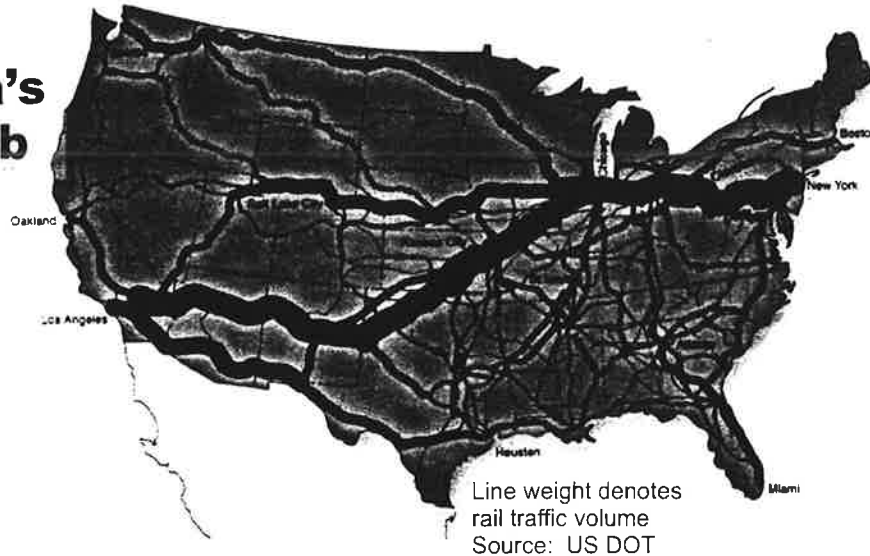
The first step was taken by the State of Illinois which, through enabling legislation, established the Joliet Arsenal Development Authority (JADA) for the purposes of transforming the property into a source of peacetime employment for the region, just as it was a source of jobs during periods of conflict. Entrusted with the mission of creating economic development opportunities, JADA has initiated this strategic planning process. The purpose of this strategic plan is to guide this transformation in coordination with local, state and federal entities, to prioritize and organize resources to facilitate expedient and orderly development – to transform “swords into plowshares.”

History has shown that turning “swords to plowshares” requires the combination of a cooperative spirit, a creative vision and securing the financial resources necessary to carry out the conversion.



North America's Intermodal Hub

The region's position as a major transportation hub presents a unique opportunity for JADA's economic development potential.



Regional Opportunity

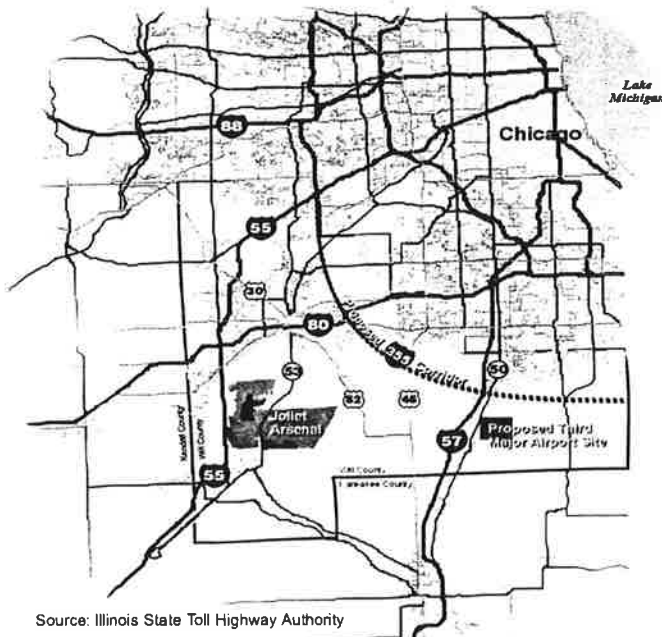
It is no coincidence that the Chicago region is the largest cargo volume handler in North America. Its geographic position is strengthened by a massive infrastructure of rail and roadways, as well as air and water ports. This combination of transportation modes makes the Chicago region the third largest cargo volume handler in the world. Today, the transportation industry is the fastest growing segment of the world's economy, growing at a rate of two to three times the U.S. gross domestic product. This is a unique strategic positioning opportunity for the JADA industrial complex.

Regional Support

Studies conducted by the Chicago Area Transportation Study (CATS) and by the U.S. General Accounting Office (GAO) have identified capacity issues confronting the Chicago region's network of intermodal rail yards and the highways that connect them. Regional rail yards are currently at capacity. In both the 1992 and 1996 reports on intermodal freight transportation, the GAO concluded that a longer-term solution should be pursued such as a multi-user intermodal terminal located near or in Chicago that would permit rail-to-rail connections. In support of the GAO report, the US DOT recommended a site outside the city in order to alleviate inner city truck congestion.

The Benefit

The availability of a large parcel of land in the region, in proximity to major transportation infrastructure of rail and highway, make the JADA property a prime location for a major intermodal transportation facility. The prospects of the I-355 extension and a third major airport in southern Will County only enhance the transportation advantages that the JADA site offers those businesses relying on multiple transportation modes.



Source: Illinois State Toll Highway Authority

The JADA property is strategically positioned as the southwest anchor of the Chicago region.



The Rail/Intermodal Capital of North America

Today, the transportation industry is the fastest growing segment of the world's economy...

...growing at a rate of two to three times the U.S. gross domestic product.

Chicago is the absolute fulcrum of rail activity in North America.

- 75% of the nation's rail lines pass through the Chicago area.
- Nearly half of the nation's rail/intermodal shipments originate, terminate or connect in the Chicago metro area.
- Chicago is host to more intermodal facilities than any other metropolitan area in the United States.
- An estimated 25 percent savings can be obtained by replacing long distance truck movements with efficiently coordinated intermodal transportation for overland movements of more than 700 miles.
- In 1994 approximately eight million trailers and containers moved by rail, a significant growth from only about three million in the early 1980's.
- Consolidation of intermodal service into a system of massive hub terminals means maximizing rail for long hauls and trucks for short hauls. The number of intermodal terminals has declined from 1,500 in 1975 to 230 in 1992.
- Forecasts indicate a need for 7,000+ acres to handle year 2020 rail volume compared with the 2,800 acres currently in use.
- Chicago region freight industry employment:
 - 114,498 (1996)
 - 163,200 (2020 forecast)
- Rail Industry average salary:
 - \$41,900 (1996)

The Region

The JADA property is strategically positioned to be the southwest anchor of the I-55 Industrial Corridor.

This property offers unique opportunities for development.

The goal of JADA's transformation process is to develop quality job opportunities.

Regional Development

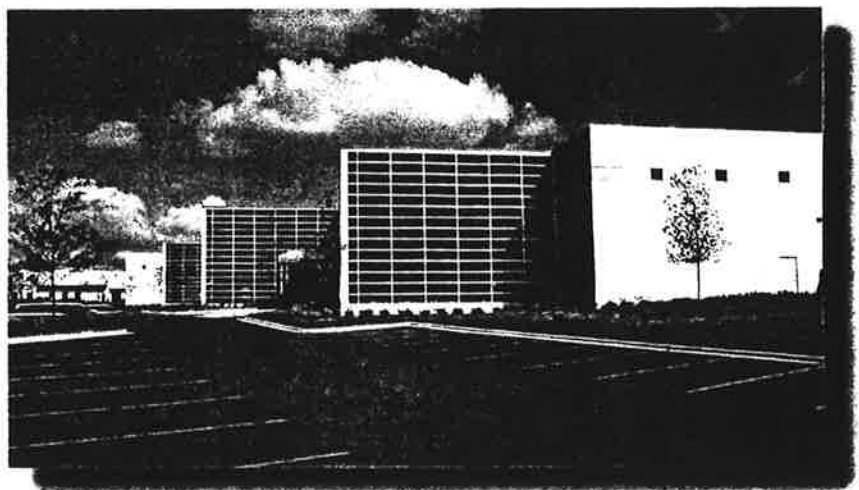
The region has seen the recent explosion of industrial/warehousing development along the I-55 corridor. The two JADA sites are in the direct path of that growth and as such are the target of visionary entrepreneurs. These sites represent the southwest anchor of the I-55 corridor.

Diverse Economy

Much of the region's growth and stability can be attributed to its diverse economy. The Chicago region is not dependent on any single industry. In fact its diversity and activity mirrors that of the entire U.S. A major factor that will drive the region's future economic growth is its transportation and distribution network. JADA's geographic position, combined with its opportunities for development, firmly establishes its role as a premier player in the region.

JADA's Strategic Location

The JADA property at the former arsenal site is situated within the largest industrial marketplace in North America. The region contains approximately 1.2 billion square feet of industrial/warehouse space in a market that expanded over 27 million square feet in 1998. Vacancy is also on the decline since 1993 and is currently below 7% region-wide.



An example of a developed location

The Chicago Region... North America's Industrial Hub



Dramatic Growth Opportunities

- With approximately 1.2 billion square feet of facilities, the Greater Chicago region is the largest warehouse/industrial market in North America.
- The greater Chicago industrial property market is larger than Indianapolis, Cincinnati, Columbus, Detroit, St. Louis and Cleveland combined.
- It has more square feet in facilities than the 10 southeastern states combined.
- One third of the nation's GDP is created within 8 hours of Chicago.
- The region's stability is anchored in tremendous internal diversity.
- Its highly diverse industries serve domestic and international markets, creating stable economic growth and a steady demand for space.

Will County Strengths

- Excellent transportation access to Interstates 55, 57, 80, 88, 90 and 94.
- Excellent rail access to multiple railways.
- A well-skilled, available labor force.
- Fastest growing county in Illinois.
- The lowest real estate taxes in the six-county metropolitan Chicago area.
- High-quality public and private schools.
- A diverse living environment from rural to urban and suburban.
- Second lowest average home price among the six counties in the Chicago metropolitan area.

Source: Joliet/Will
County Center for
Economic Development



JADA...I-55's Southwest Anchor

Forecasts indicate that the region will require an additional 4,200 acres for intermodal development by the year 2020. Only 2,800 acres are currently in use today.

There exists in the region few, if any, parcels exceeding 1,000 acres unconstrained by urbanized development and possessing JADA's unique and distinct advantages.

The JADA property provides opportunities which are rarely available. The sheer magnitude of the two sites, coupled with available resources and excellent location, make it a natural target for any developer.

Industrial Tax Advantages

The table below illustrates Will County's competitive industrial tax rate.

| County | Taxes Per Assessed \$100 |
|--------|--------------------------|
| Cook | \$9.25 |
| Lake | 7.65 |
| Kane | 7.45 |
| DuPage | 6.74 |
| Will | 4.53 |

Source: 1996 Average Tax Rates, Industrial Land, Illinois Department of Revenue

JADA's Distinct Advantages

Parcel Size

Intermodal facilities require large land areas for their establishment and continued growth. The JADA properties, Deer Run Industrial Park, totaling 1,900 acres, and Island City Industrial Park, totaling 1,100 acres, provide rail lines and industry the opportunity to develop in a relatively unconstrained area.

Excellent Rail Access

The sites are served by nearby rail lines, including Burlington-Northern Santa Fe, Union Pacific and Norfolk & Southern. The conjunction of these three major lines in one location provides a competitive opportunity for intermodal transportation found in few other places.

Premium Neighboring Land Use

The two sites are surrounded by pristine, quiet areas that, in all likelihood, will remain so forever. There are few, if any, other locations in the Chicago metropolitan area with so much transportation access yet so buffered from residential land uses. The parks' biggest neighbor, the Midewin National Tallgrass Prairie, encompasses 19,000 acres of prairie restoration – the largest of its kind east of the Mississippi River. The perpetually serene environment guaranteed by the presence of the Abraham Lincoln National Cemetery makes it a particularly desirable neighbor.

Integral Partners

The two industrial sites have been energized by partners eager to foster development. The City of Wilmington and Village of Elwood and a diversified developer, CenterPoint Properties Trust, are ready to do business anchoring these sites as the southwest hub of the I-55 industrial corridor.

The Crossroads of Power

The site affords a unique opportunity to develop and market thermal-electric power on the nation's power grid-system. Situated along the Commonwealth Edison high-voltage power line, the two industrial sites are located next to one of the largest power transmission sources in the nation. The potential for thermal power generation on site makes the site a tremendous opportunity for power-generation companies.

Abundant Water Supply - A Unique JADA Asset

There is an abundant supply of water at the former Joliet Arsenal. Five deep water wells are located on the Deer Run Industrial Park property, accompanied by two river pumping stations – one on the Kankakee River and the other on the Des Plaines River. This situation provides the opportunity for reduced cost to tenants and a source of revenue for the development. Immediate study of this issue is critical.

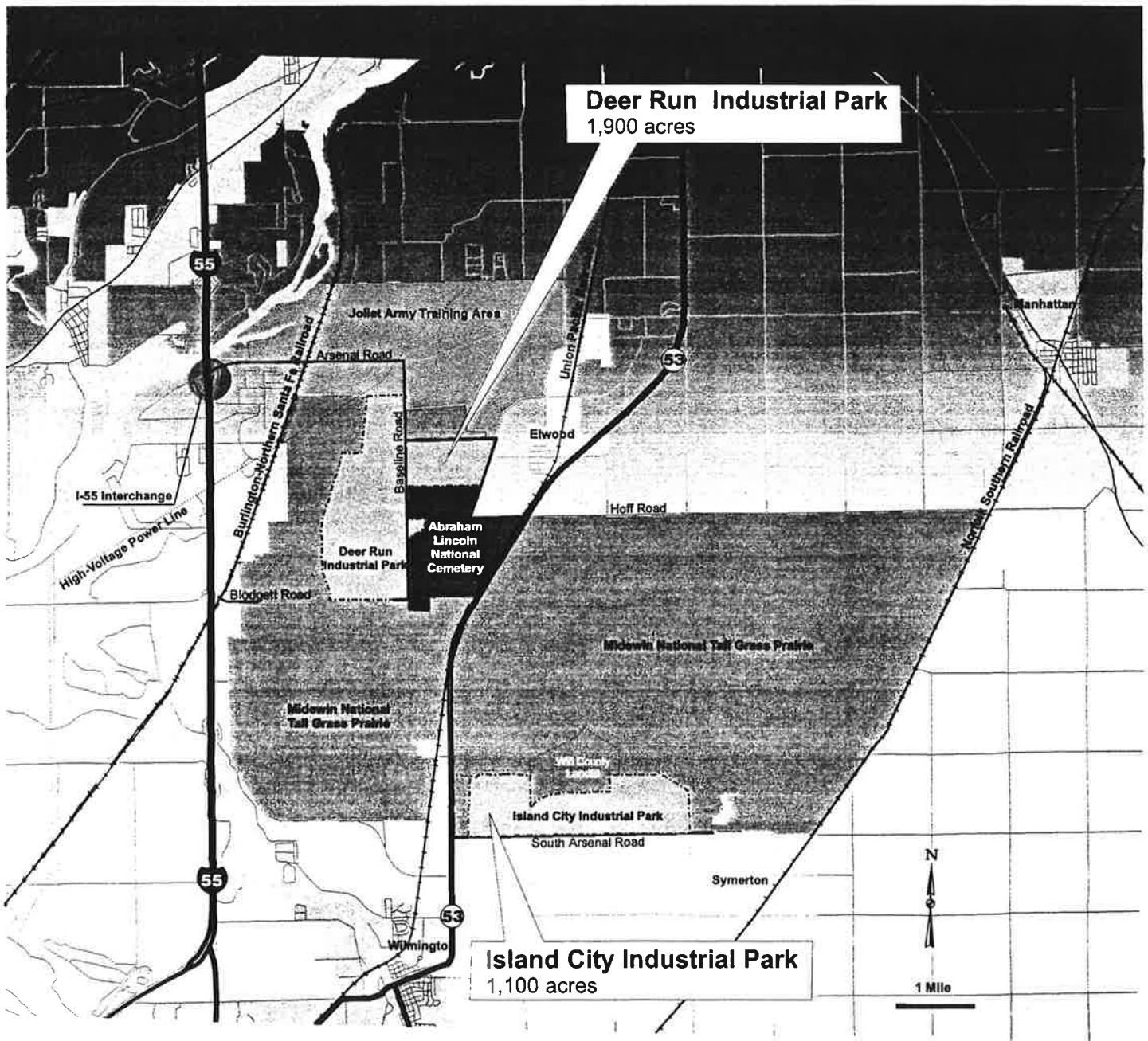
Competitive Tax Advantage

Hypothetical taxes for commercial development at the following locations further highlights Will County's competitive edge.

| Location | Taxes Per Square Foot |
|--------------------------|-----------------------|
| Chicago, Cook County | 4.93 |
| Northbrook, Cook County | 4.91 |
| Countryside, Cook County | 4.11 |
| Deerfield, Lake County | 2.42 |

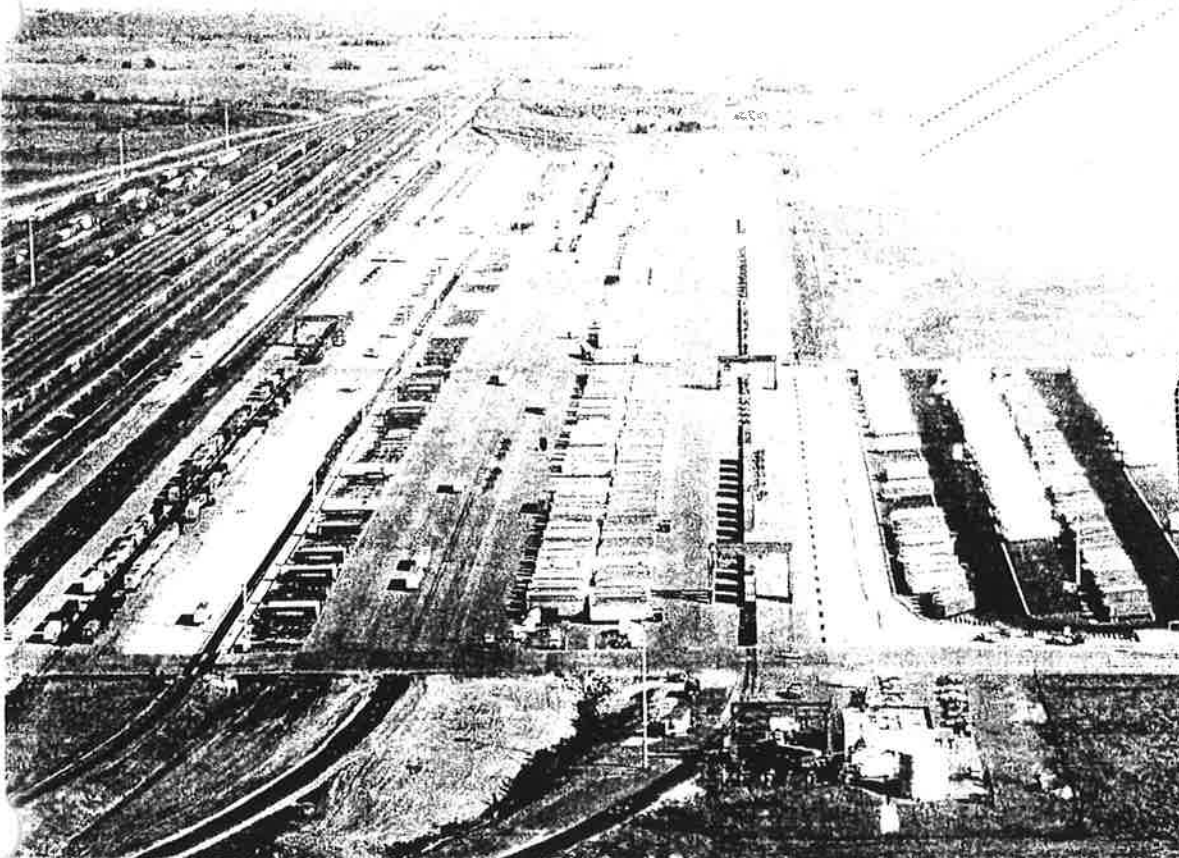
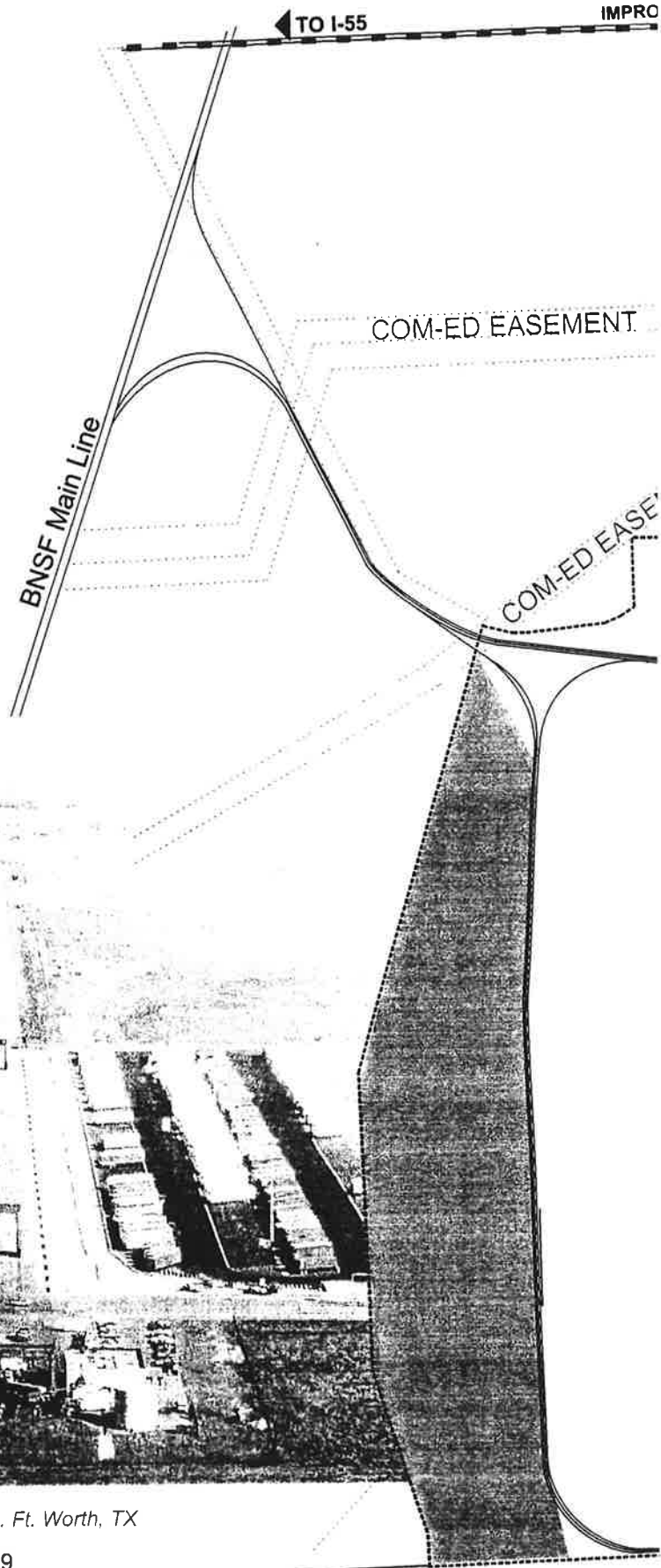
| Location | Taxes Per Square Foot |
|---------------------------|-----------------------|
| Elgin, Kane County | 2.36 |
| Naperville, DuPage County | 2.08 |
| Bolingbrook, Will County | 1.65 |

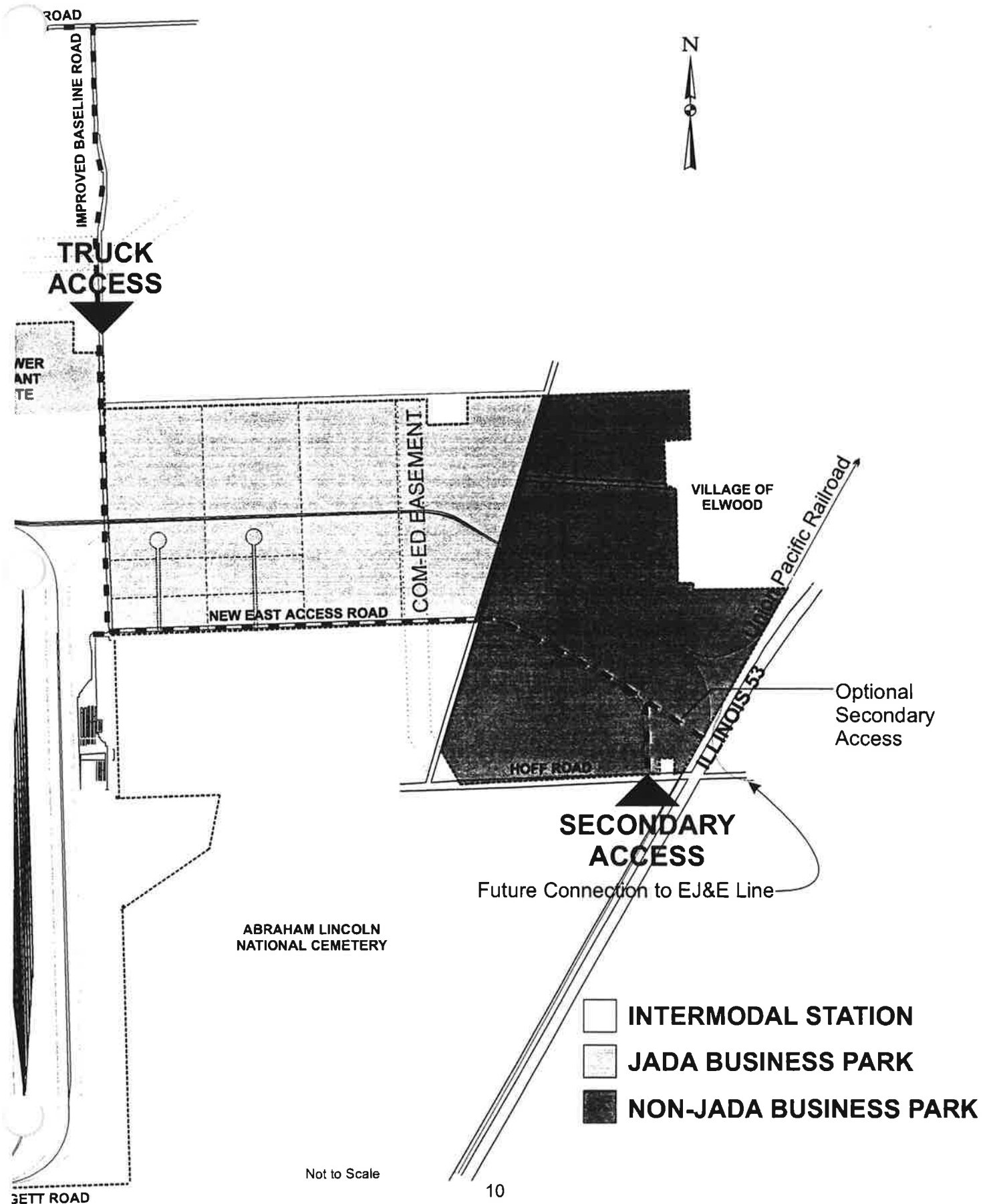
Source: Crain's Chicago Business, November 24, 1997



Deer Run Site Concept

Intermodal transportation is the principal use for the Deer Run Industrial Park. The site provides the space and connections necessary to provide for one or multiple rail companies to develop major trans-loading facilities. Companies relying on close proximity to intermodal facilities will have the benefit of direct access to rail sidings. The potential benefit of multiple rail companies at one site ensures more competitive pricing.



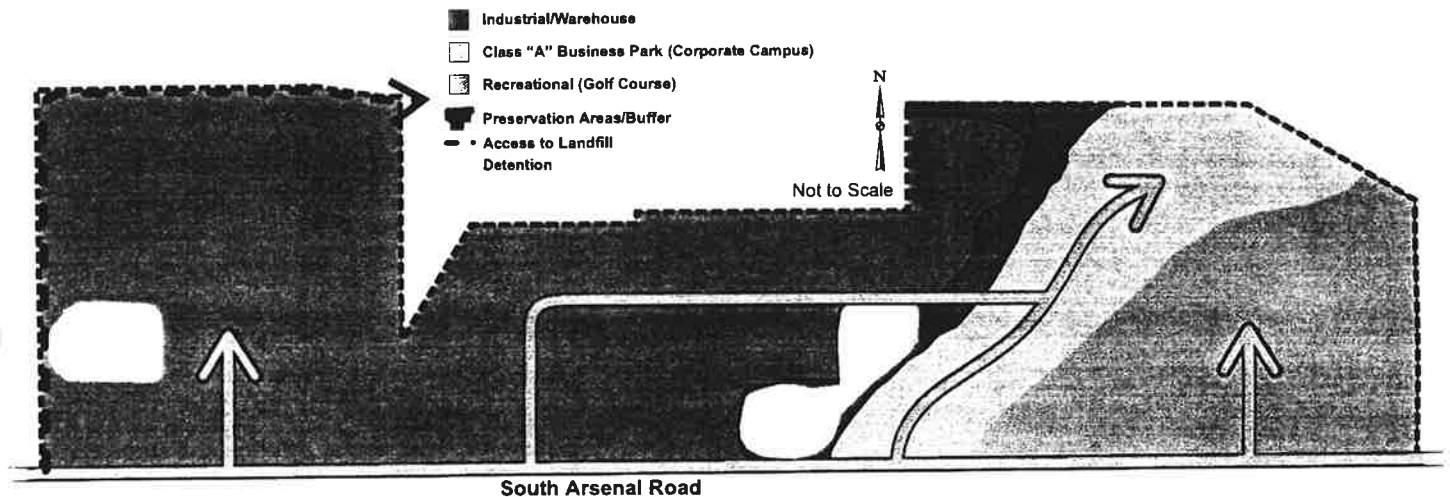


Island City Site Concept



The 1,100 acre Island City Industrial Park provides opportunities for the region's growing corporate and industrial facility needs. The site has the capacity to accommodate a variety of development and uses.

Industrial/Commercial - This component of the JADA property, the Island City site, has room for the growing Chicago metropolitan industrial and commercial market. The park's industrial development can benefit from nearby rail access.



One of several concepts for the Island City Industrial Park

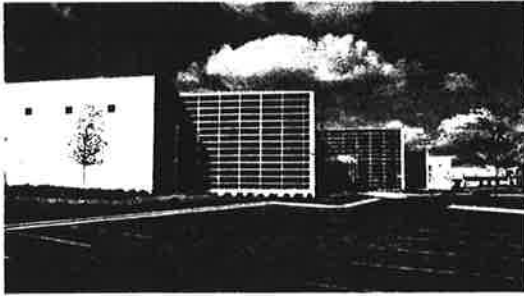
The 1,100-acre Island City Park will develop in harmony with the Deer Run site and as a result of market forces, planning activities and community needs.

Recreation - Because of the site's size and proximity to the Midewin National Tallgrass Prairie, there exist abundant possibilities for the development of recreational facilities such as a golf course and related outdoor facilities. The development of such recreational facilities would allow for an environmentally secure buffer adjoining the Midewin Prairie.

Corporate Campus - Adjacent to the Midewin National Tallgrass Prairie, the eastern-most portion of the site would provide a perfect environment for a campus environment which takes advantage of the scenic vistas and serene surroundings.

There are several activities underway to prepare the Island City site for development. Development would likely be initiated from the southwest corner. The City of Wilmington is pursuing the annexation of the Island City Park site to conform with its economic development agenda.

Public/Private Partnership



Quality Developer

The Joliet Arsenal project represents a major economic development initiative. The ability to move ahead on a project of this magnitude will require the coordinated efforts of both public and private sector resources. Driving the private initiative on the Deer Run site is CenterPoint Properties Trust, Chicago's largest and leading industrial property company. This company brings to this project the experience of developing, marketing and managing over 225 industrial facilities totaling 25 million square feet within the Chicago metroplex. CenterPoint has optioned the Deer Run Park subject to its site investigation and has proposed to be the master developer.



Typical CenterPoint Industrial Sites

Quality Development

Based on a strong market and CenterPoint's own track record, a very aggressive build-out program for the Deer Run Industrial Park is anticipated. This could be further enhanced with an accelerated cleanup program which takes into account all environmental concerns. Quality design and value-added amenities, which are trademarks of CenterPoint properties, will make the Deer Run Park an attractive site. Design standards will be in place to ensure tenants that architectural integrity and property values are maintained.



Sensitivity to the prairie land that surrounds the park will ensure that the development complements the natural environment. The pastoral setting of the Midewin National Tallgrass Prairie will in turn enhance the value of the workplace environment.

The Benefit

JADA - Reduces Unemployment!

Appropriately invested federal and state grant funds early in the planning process will lead to an immediate \$2 billion in private sector investment which will in turn generate enormous returns to Illinois and the nation.

Economic Impact in the First 7 Years:

- Over \$2 billion in total payroll.
- \$500 million annual payroll after seven years.
- Over \$100 million in sales tax generated within the first seven years.

Opportunities for Aggressive Impact on Unemployment:

- Pockets of high unemployment throughout Will County can be immediately impacted by businesses on JADA property.
- Education and training combined with a county-wide transportation system can help to diminish unemployment throughout Will County.

The Problem

Unemployment is a significant issue in Will County. Factors contributing to this include:

- The shutdown and closing of the Joliet Army Ammunition Plant.
- The transition of the steel-dominated industry in Joliet.
- Underemployment of the work force by growth of low-paying, service sector jobs.
- The announced closure of the Johnson & Johnson plant in January of 1999 with a loss of over 400 professional jobs.
- Shutdown of Alliant Techsystems, Inc. located at the Arsenal will cause the loss of 85 jobs in 1999.

These and other factors have resulted in pockets of high unemployment scattered throughout Will County.

The Solution

The proposed JADA development will bring renewed job growth to southern Will County. Conservative estimates over the first seven years of the Deer Run Industrial Park alone indicate:

- Over 21,000 construction jobs.
- Over 8,700 permanent jobs.
- \$3.4 Billion in permanent and construction payroll.
- Federal income taxes of over \$950 million annually.
- States sales and income taxes of over \$210 million annually.
- Over \$25 million annually in real estate taxes.

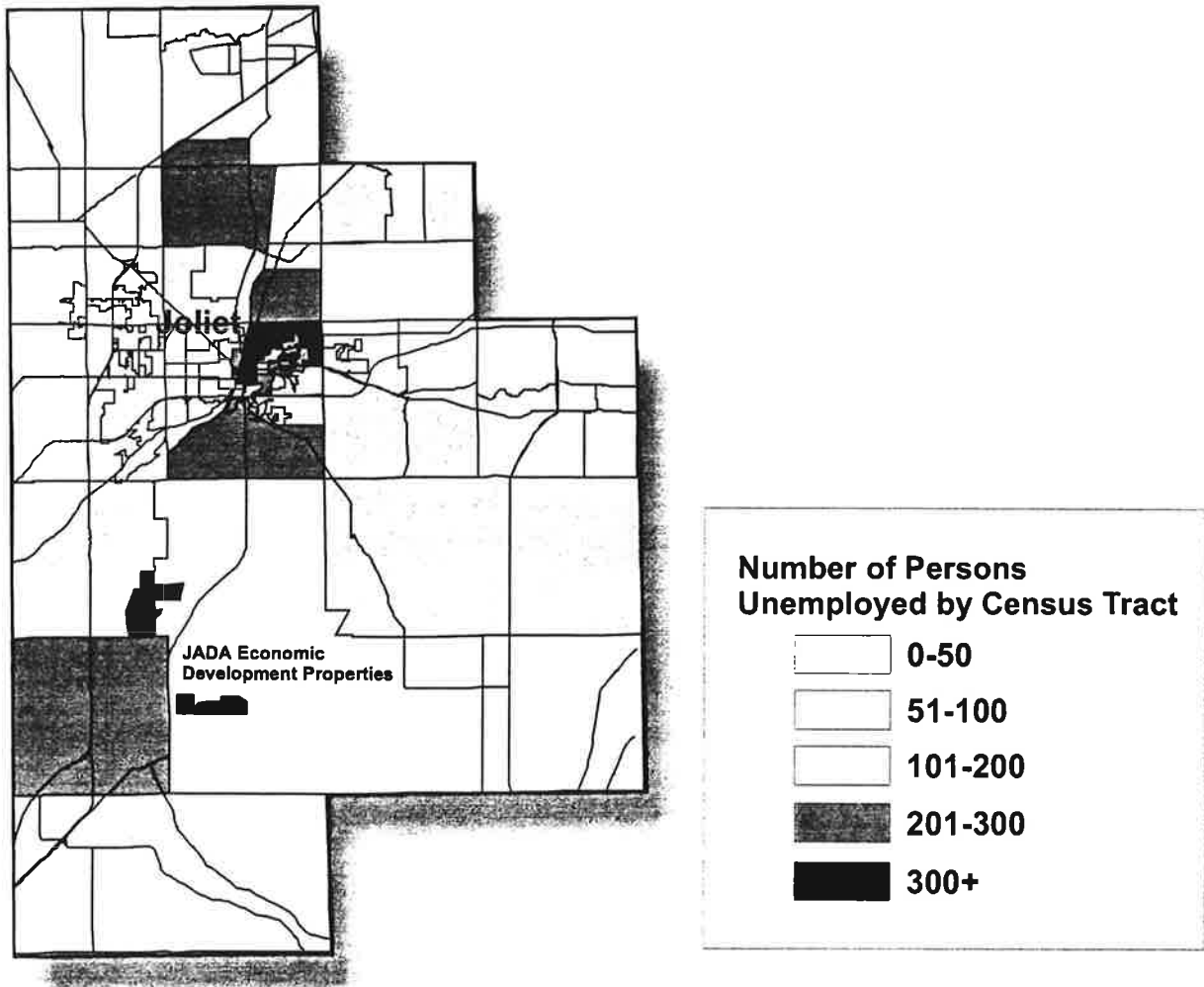
Education and Training

Job training for a potential workforce is an essential element in the success of the JADA industrial properties. Job training services will be developed by a JADA committee coordinated with the Joliet/Will County Center for Economic Development. Under this partnership, specific training goals and objectives will be determined by needs assessments based on requirements of prospective business tenants.

Transportation

To provide adequate transportation to and from work, JADA will form a transportation committee to analyze the opportunities and constraints for workers needing transportation to and from the JADA sites. The RTA, Metra and Pace are all willing to cooperate in developing a solution.

Unemployment by Census Tract - 1997



Source: Illinois Department of Employment Security, Economic Information and Analysis

Capital Improvements Plan

| | Project | \$ Total in Millions |
|---------------------------|-----------------------------------------------------------------------|-----------------------------|
| 1. | Access Infrastructure | \$225 |
| 2. | Site Infrastructure (including immediate need of \$30 million)* | 250 |
| 3. | 75 MEG Power Plant** | 75 |
| 4. | Intermodal Facilities** | 700 |
| 5. | Development (Industrial, Light Industrial Warehouse, Business Park)** | 800 |
| 6. | Furniture, Fixtures and Equipment** | 1,400 |
| TOTAL PROJECT COST | | \$3,450 |

* \$30 million for infrastructure improvements

** The private sector investment depicted here is at least 80-90% of the estimated total project cost.

CRITICAL SHORT-TERM PLANNING ACTIVITIES (**)

| | Project | \$ Total in Millions |
|--------------|----------------------------------------------------|-----------------------------|
| 1. | Regional water system solution | \$.2 |
| 2. | Technical assistance in establishing | .1 |
| | a. Education Committee | |
| | b. Transportation Committee | |
| 3. | Generate accelerated clean-up plan | .2 |
| 4. | Implement marketing plan for JADA | .2 |
| 5. | Develop provisions for wastewater treatment | .1 |
| 6. | Facilitate a plan for intergovernmental agreements | .2 |
| 7. | Explore advantages/disadvantages for TIF | .1 |
| 8. | Develop a plan for recreational use opportunities | .1 |
| 9. | Power plant plan | .1 |
| 10. | Grant investigation | .2 |
| TOTAL | | \$1.5 |

(**) Federal and state grants to be sought by JADA.

Strategic Goals

Based on the successful implementation of the JADA Strategic Plan, the following goals should be met at two year and four year intervals:

- *Generate 5,000 construction jobs in two years and a cumulative 18,000 construction jobs in four years.*
- *Generate 2,500 permanent jobs in two years and 6,000 in four years.*
- *Generate construction payroll of \$400 million and \$150 million by years two and four, respectively.*
- *Generate permanent payroll of \$150 million and \$350 million by years two and four, respectively.*
- *Generate a minimum of 50 siting requests annually by 2001 and 100 requests annually by 2003.*
- *Attract \$1 billion in private investment to the sites within two years and a total of \$2 billion by 2003.*
- *Secure \$50 million in public participation funding by 2001 and a total of \$100 million by 2003.*

JADA's Strategic Management Process

Strategic Management Process

The comprehensive Strategic Management Process for implementation by JADA is both iterative and ongoing. It provides the maximum opportunity for JADA to function efficiently, effectively and to involve all Will County citizens, organizations and other interests. It allows JADA to function with a minimal staff. Listed below are the four primary components of this process:

Strategic Planning

This component of the overall process establishes the long-term direction of the organization in the context of JADA's vision of the future. It establishes the organizationally unique mission of JADA together with a specific set of goals, objectives and policies developed in response to the needs of the community, external mandates of federal and state governments and external and internal environments. It forms a basis for long-range decision-making (over five years) and short-range decision-making (one to five years) to include resource allocation, capital investment and funding source planning.

Implementation Planning

The next component of the Strategic Management Process is implementation planning. This

allows for detailed performance planning and proposed resource allocation to achieve the goals, objectives and other organization initiatives identified throughout the overall planning process. It ensures the proper alignment of JADA's strategy with that of all supporting and coordinating organizations. Implementation planning establishes the detailed requirements, schedules and resource allocations necessary for

consisting of a series of activities that take one or more types of input and create outputs. These processes are the means (activities and decisions) by which JADA produces the outputs and outcome for its customers.

Performance Evaluation

Implementation planning provides a basis for the end-to-end evaluations of performance within JADA's operations at multiple levels. The evaluation of performance measures determine whether JADA achieved intended results as stated in its performance plans. This evaluation also determines the level of effectiveness and efficiency with which JADA's programs and processes are accomplished. JADA will establish performance planning throughout its operations in order to determine the necessary steps of measuring, evaluating,

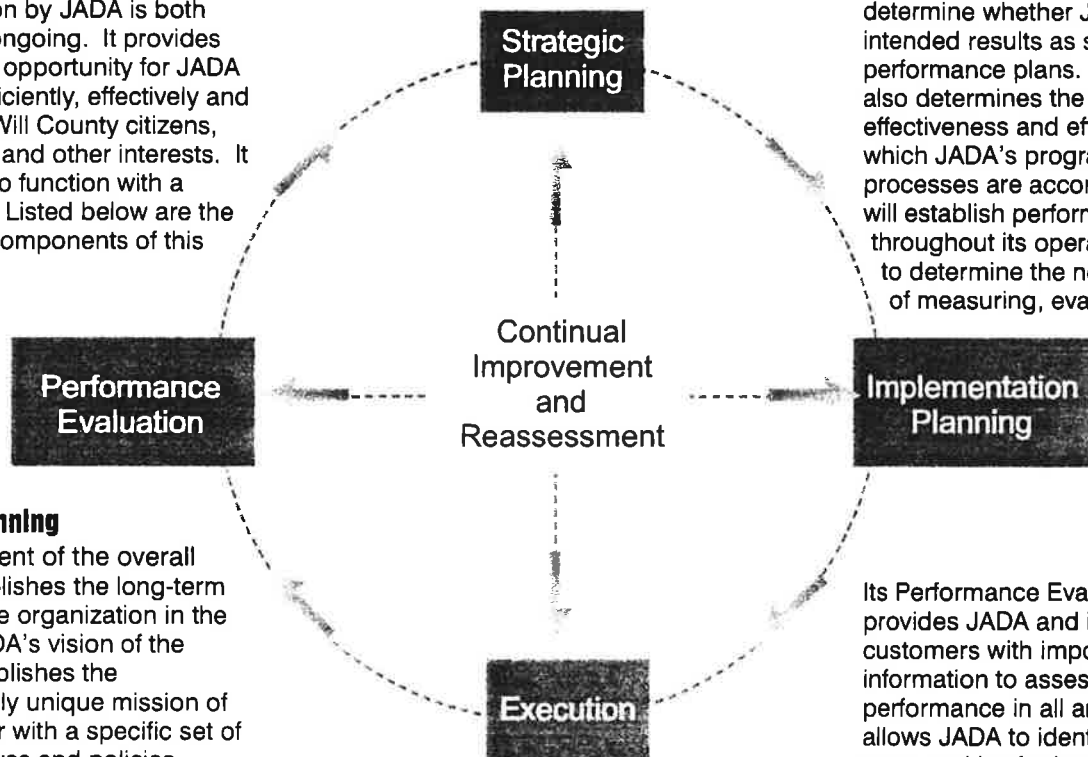
reporting and implementing improvement initiatives derived from internal and external inputs.

Its Performance Evaluation Process provides JADA and its multiplicity of customers with important information to assess its performance in all areas. It also allows JADA to identify potential opportunities for improvements in its service delivery, program and project implementation and process management. The results of performance evaluation activities provide data and information that will be used by JADA to make informed decisions regarding changes and modifications to the organization's long-term strategic, as well as short-term, deployment. The results of performance evaluations also enable JADA to effectively communicate results and accomplishments to its internal and external customers and stakeholders.

successful execution. It is interactive and begins with completion of this Strategic Plan, the plan for funding allocations and JADA's multi-year budget projections. Implementation planning forms the basis for performance evaluations.

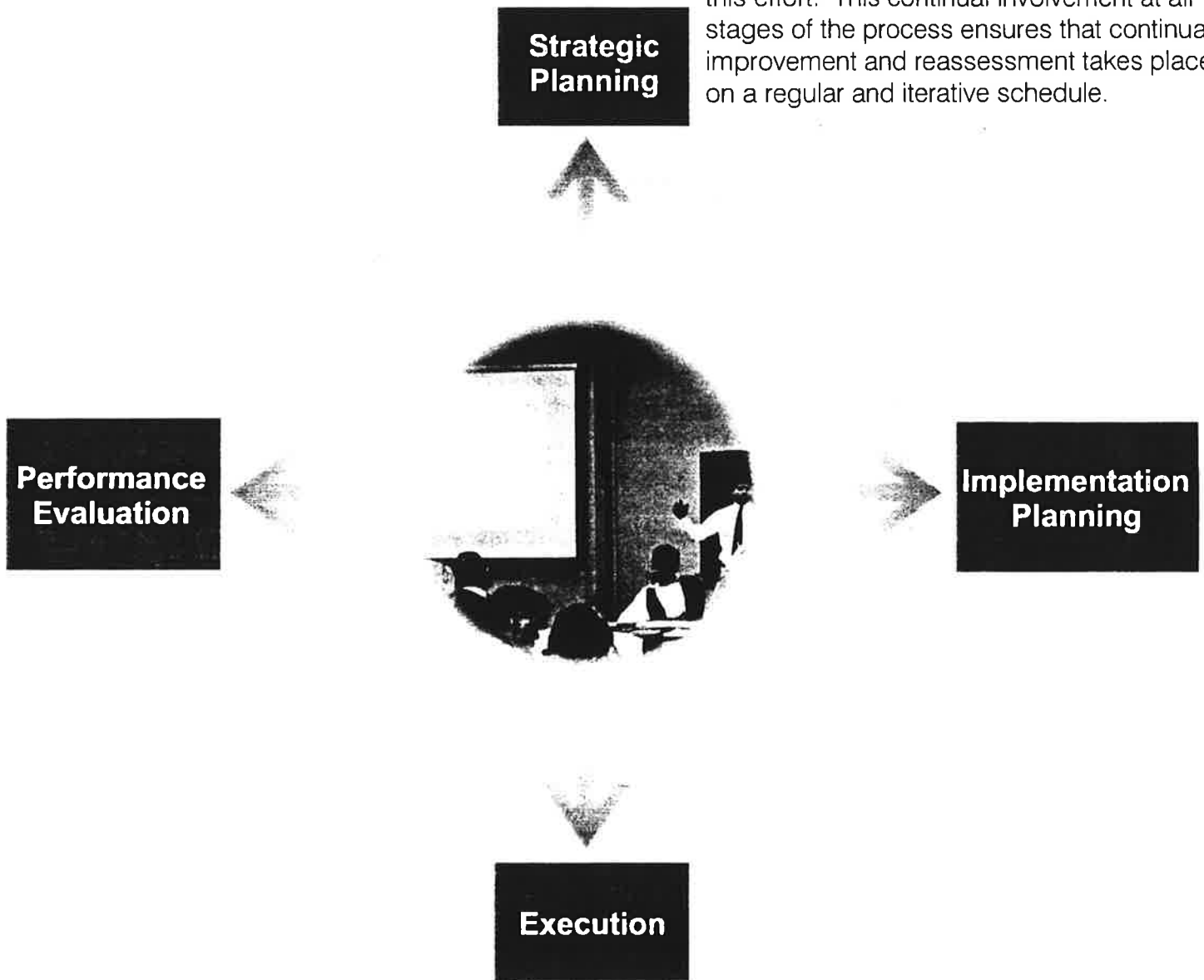
Execution

The services of JADA are delivered through its programs and projects. Framing the substance of JADA's programs and projects are a set of processes and sub-processes



Citizen Involvement... The Key to JADA's Future

The most important component of the entire JADA Strategic Management Process is the continued involvement of citizens in this effort. This continual involvement at all stages of the process ensures that continual improvement and reassessment takes place on a regular and iterative schedule.



In Conclusion

JADA's Role

This Executive Summary is an attempt to highlight the role of the Joliet Arsenal Development Authority in the adaptive reuse and transformation of 3,000 acres of land formerly used by the Joliet Army Ammunition Plant. The goal of JADA's transformation process is to create quality job opportunities and foster economic development in the Will County area. This JADA development will play an increasingly important role in the region's economic development.

Strategic Management Process

Implementation of a Strategic Management Process by JADA will ensure that the citizens of the region will receive maximum benefit from the transformation of this property. JADA is leading the transformation of this property from its role as an integral component of the defense industry of the nation for over 50 years to a productive peacetime role in the economic development of the area.

Swords to Plowshares

This project provides a classic example of the national effort to change from "Swords to Plowshares". Not only will this property serve as the southwest anchor of the I-55 Industrial Corridor for the region, it will provide unparalleled opportunities for implementing a creative vision for the area through cooperation by many vital and vibrant communities and organizations.

General Site Conditions

There is a contaminated water plume that is present in the southwest quadrant of the west site. Another area not in the current transfer is the tetryl area at the south end of the west site and a landfill that the Army proposes to cap. The Army is in the process of cleaning up all areas in the west site (M5, M6, M7, M8, M9 and M13).

The east site has some areas of environmental concern the Army will not be responsible for. The main area of concern is the "White Circle" housing area where JADA will assume responsibility for all demolition. These housing units reportedly contain lead-based paint and asbestos. A target practice area also lies on the eastern boundary of the site (L11). This site will not be transferred until the Army has completed its environmental obligations. Alliant Techsystems, a munitions company, leases a large parcel on the east side from the Army that will be leased until the end of 1999. JADA will also be responsible for demolition and removal of the building. Environmental remedies of the ground and subsurface will be the responsibility of the Army (L16 and L17).

Remediation Status and Strategies

Numerous environmental reports have been completed to analyze the full extent of contamination the Army is responsible for removing. From these studies, the Army has initiated and completed several Installation Restoration Program (IRP), Soils Remedial Unit (SRU) and Groundwater Remedial Unit (GRU) remediation projects.

A summary of the Army's remediation is included below. Exhibits 3-4 and 3-5 graphically depict these areas for the soil and groundwater remediation units (SRU and GRU). Table 3-3 shows the estimated time horizon for cleanup at the Army sites. The Army's remediation plan is contained in Section 9 of the Record of Decision: Soil and Groundwater Operable Units dated October, 1998.

SRU1 (Explosives in Soil) – Once approval of the recommended alternative is received and funding obtained, the estimated time required for completion of cleanup activities are one (1) year for engineering design and treatment facility construction and three (3) years for excavation, treatment and disposal. Of the area of concern, this SRU affects sites M5, M6, M7 and L16.

SRU2 (Metals in Soil) – Estimated remediation time is one (1) year for engineering design, excavation and disposal. Of the areas of concern, this SRU affects site L11.

SRU3 (Explosives and Metals in Soils) - The estimated time for remediating is one (1) year for engineering design, one (1) year for the process time to be coordinated with the designing time of SRU1, one (1) year to bioremediate and dispose approximately 15,700 cubic yard of soil, and one (1) year for the excavation and disposal of approximately 17,420 cubic yards of soil not requiring bioremediation. (This step may run concurrently with either of prior 2 steps). Therefore total time for remediation is three (3) years. Of the areas of concern, this SRU affects sites M5 and M6.

SRU4 (PCBs in Soil)- Estimated time for remediation is one (1) year. Of the areas of concern, this SRU affects site L17.

SRU6 (Landfills) - The estimated time for remediation is three (3) to four (4) years for capping landfills in sites L3, M11, and M13 based on construction materials available from other cleanup actions at JOAAP. The estimated time of remediation in sites L4, M1 and M9 is one (1) year for excavation and disposal of landfills. Of the areas of concern, this SRU affects sites M9 and M13.

SRU7 (Sulfer) – The estimated time for remediation is less than one (1) year. Of the areas of concern, this SRU affects site M8

GRU2 – Estimated time for completion of the Limited Action remedy is 50 years. Of the areas of concern, this GRU affects sites M5, M6, M7, and M13.

Table 3-3
Estimated Army Remediation Horizon

| Site Number | SRU1 | SRU2 | SRU3 | SRU4 | SRU6 | SRU7 | GRU2 |
|-------------|--------------|--------|---------|--------|-----------|---------|----------|
| M5 | Min. 4 years | | 3 years | | | | 50 years |
| M6 | Min. 4 years | | 3 years | | | | 50 years |
| M7 | Min. 4 years | | | | | | 50 years |
| M8 | | | | | | <1 year | |
| M9 | | | | | 1 year | | |
| M13 | | | | | 3-4 years | | 50 years |
| L11 | | 1 year | | | | | |
| L16 | Min. 4 years | | | | | | |
| L17 | | | | 1 year | | | |

Because of the chemical-intensive nature of, and contamination by, operations at the Arsenal, the Army has placed deed restrictions on the property to be transferred to prohibit uses that may subject individuals or animals to environmentally hazardous substances. The details of these restrictions remain subject to negotiation at this time. Upon completion of the final Quit Claim Deed, disclosure of these restrictions will be completed.

This environmental plan will no doubt change as more information becomes available. Parts of this environmental plan may be incompatible with economic development objectives and may need to be modified. Alternatives that result in an accelerated clean up program are being negotiated with the Army. Section Eight of this Strategic Plan presents the components of an alternative plan proposed by JADA and the potential developer of the site.

Rail Service

The west site has a rail alignment in place at this time that has been abandoned and requires extensive reconstruction. The rail right-of-way west of the Arsenal, connecting to the Burlington Northern Santa Fe line, is expected to be acquired by the spring of

1999. This right-of-way is being negotiated in a land swap with the U.S. Forest Service. Exhibit 3-6 shows the proposed alignment for rail and right-of-way on the west site.

The east site has no rail access at this time. Rail service existed at the site during the Arsenal's operation, but has since been or will be removed from the site. The potential for a rail connection to Norfolk Southern Railway from the east and Union Pacific from the west exists.

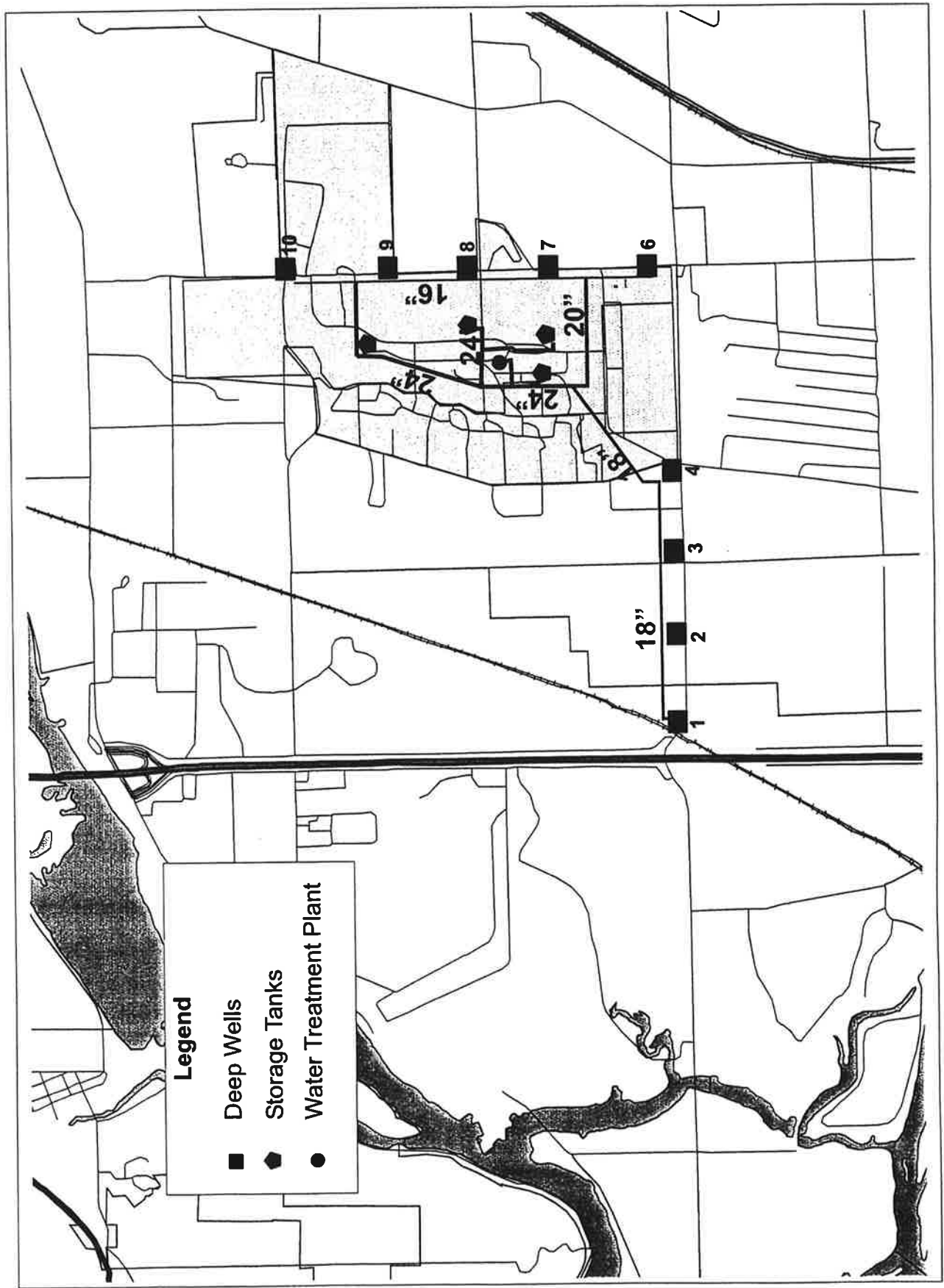


Exhibit 3-1: Well Interconnect System

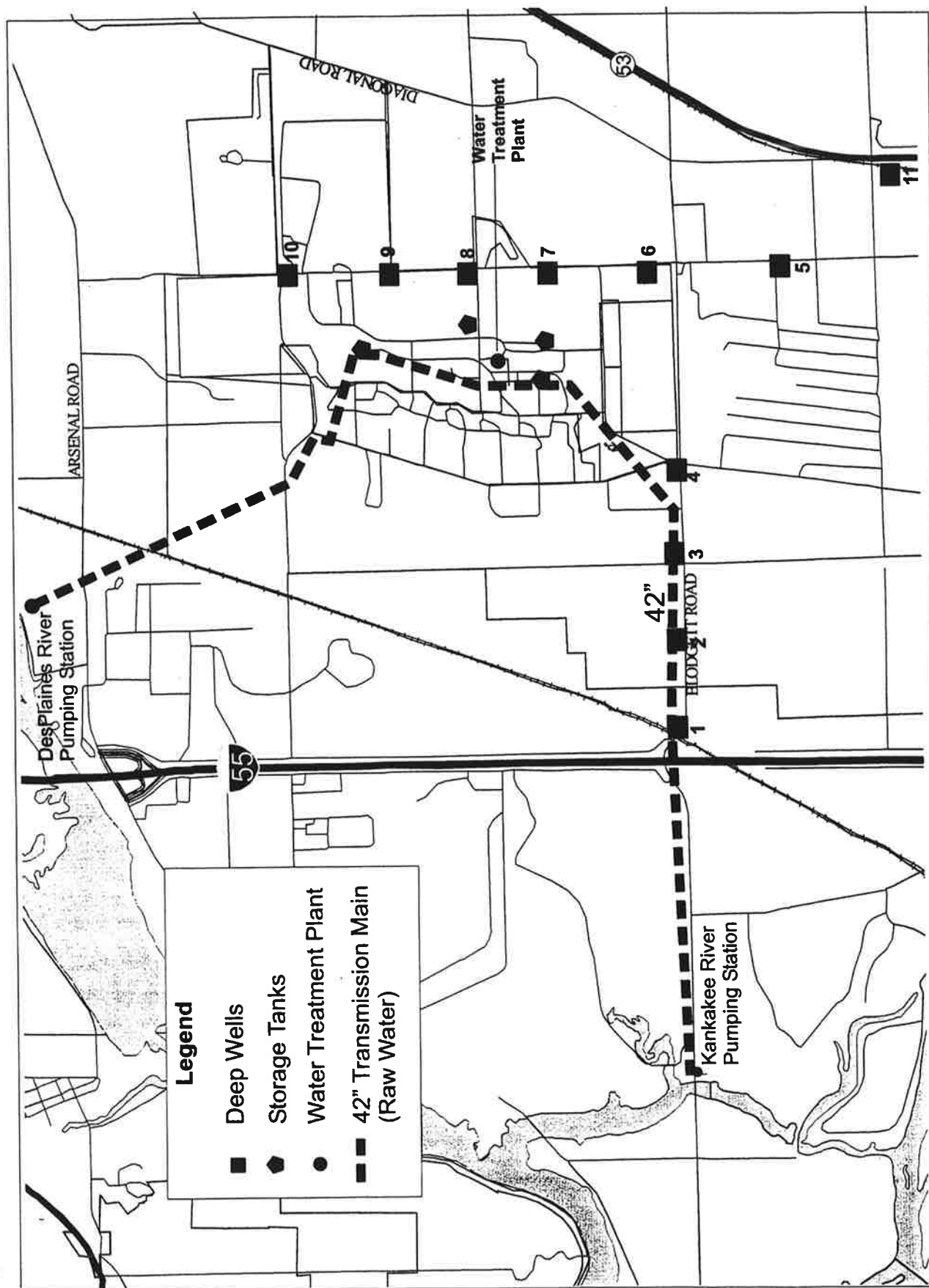
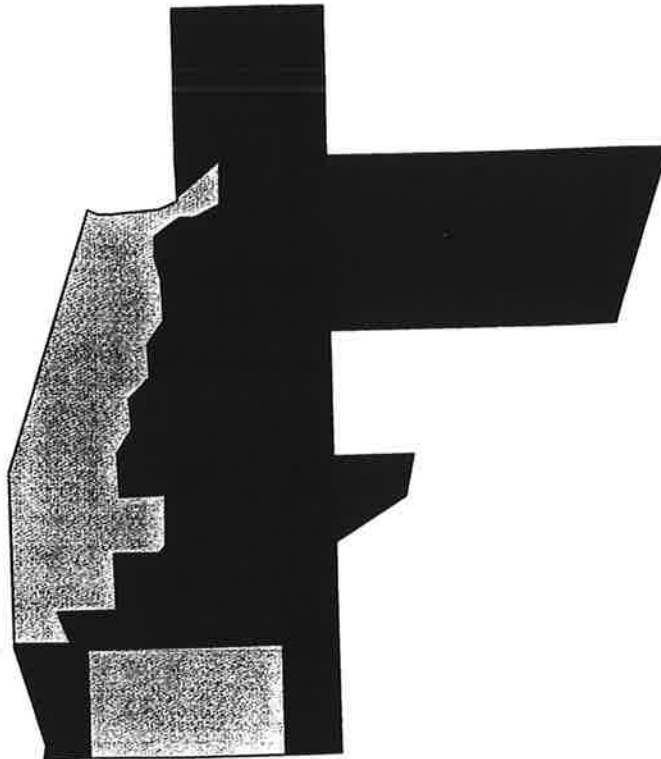


Exhibit 3-2: Deer Run Water Supply System

Deer Run Industrial Park



Current Transfer (T1)



Later Transfer (T2)

Island City Industrial Park

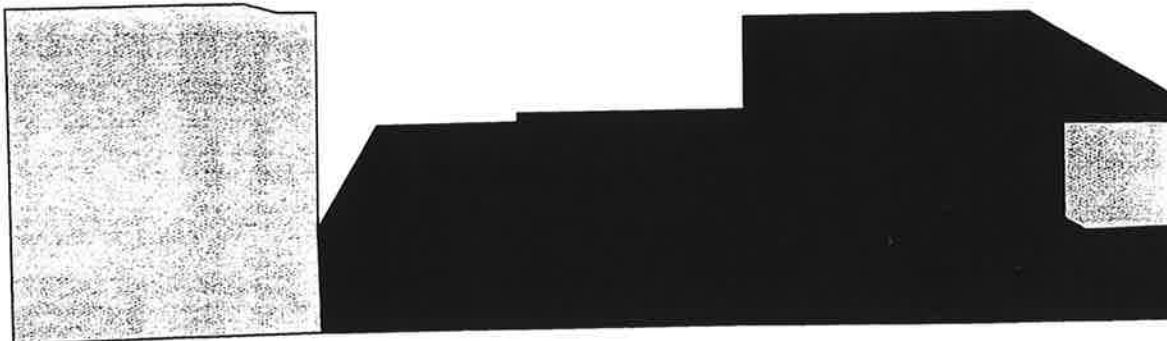
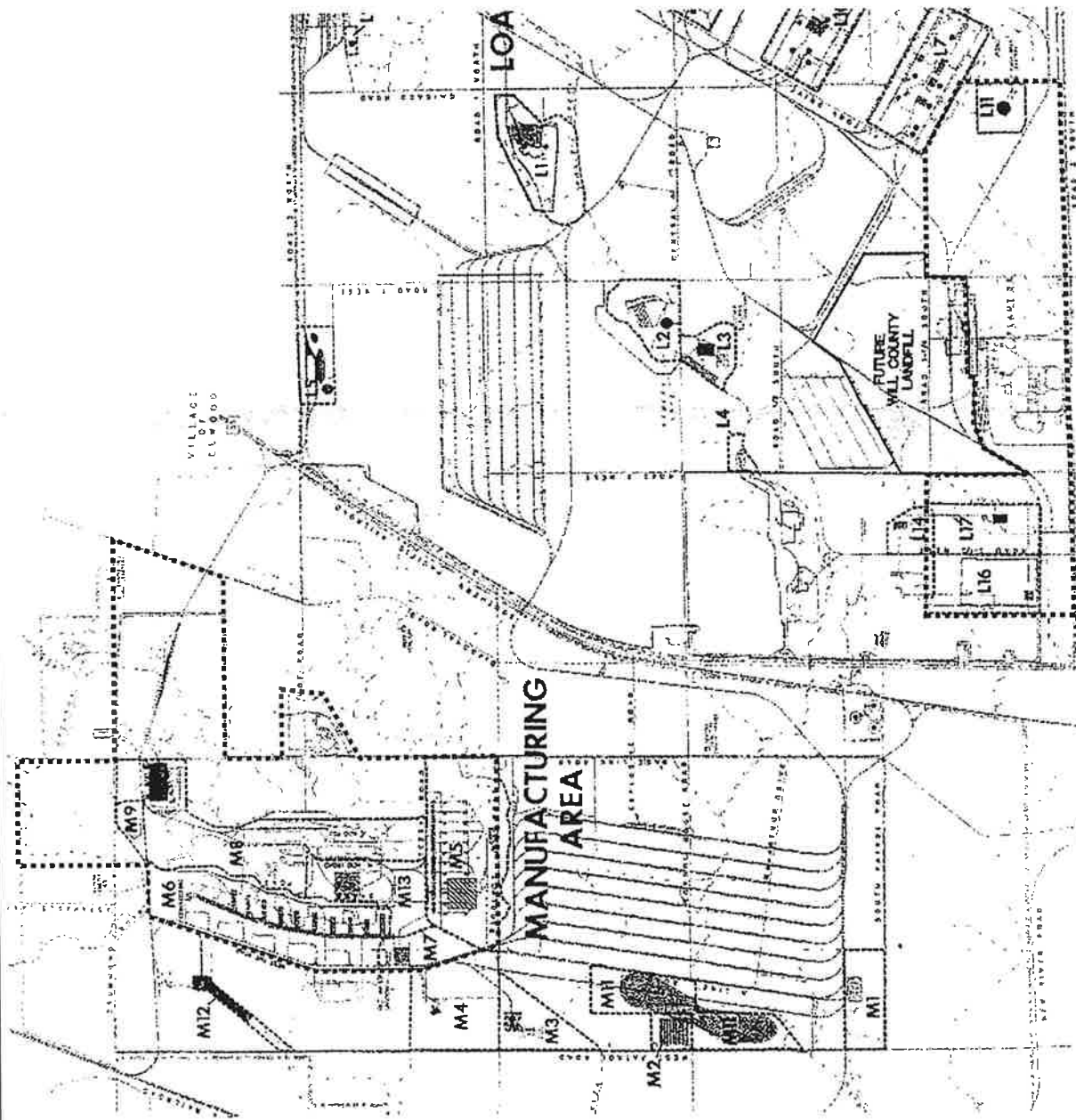
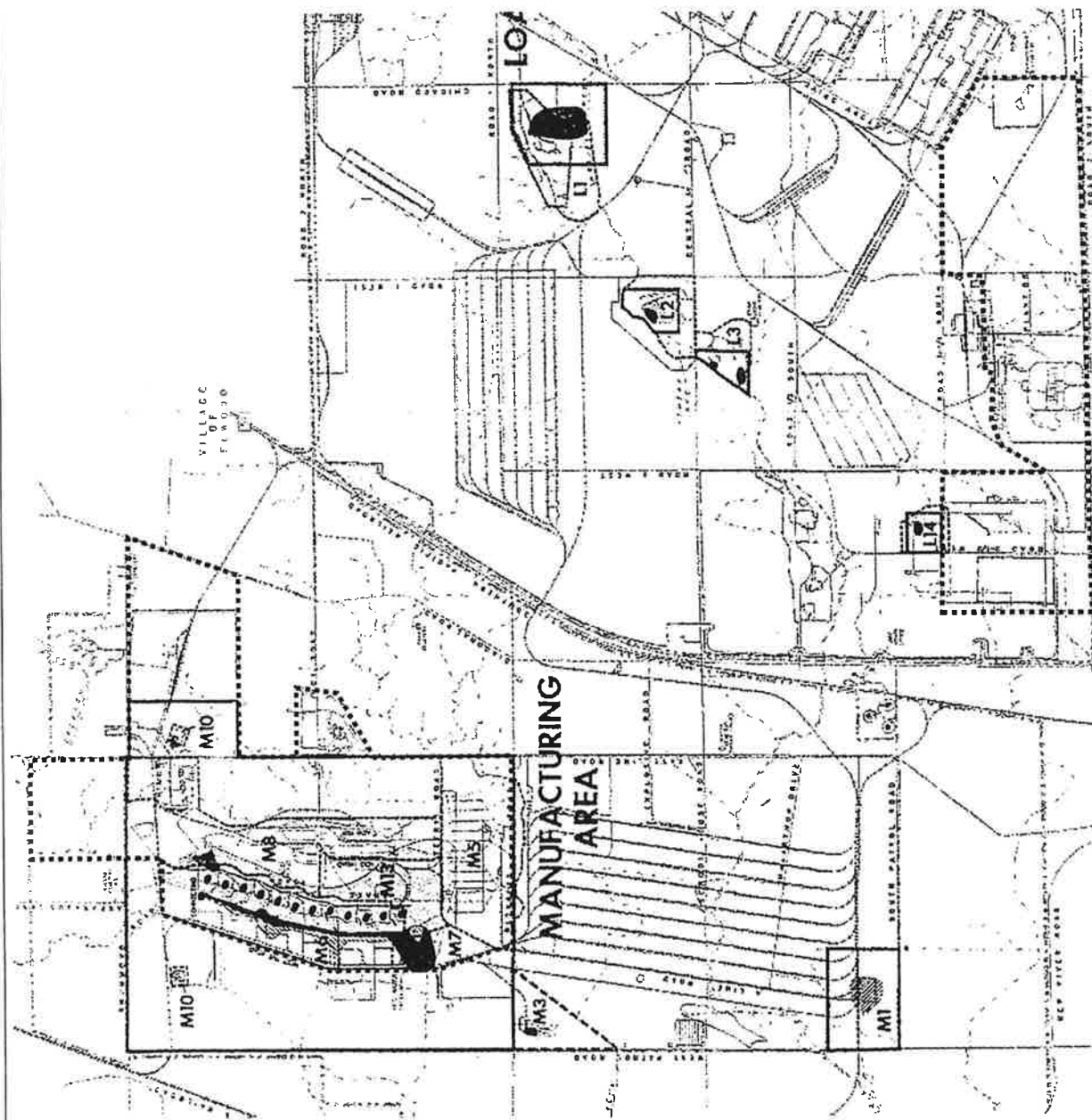


Exhibit 3-3: Parcel Transfer Status



Source: Record of Decision, Soil and Groundwater Operable Units, October 1998

Exhibit 3-4: Soils Remediation Units



Source: Record of Decision, Soil and Groundwater Operable Units, October 1998

Exhibit 3-5: Groundwater Remediation Units

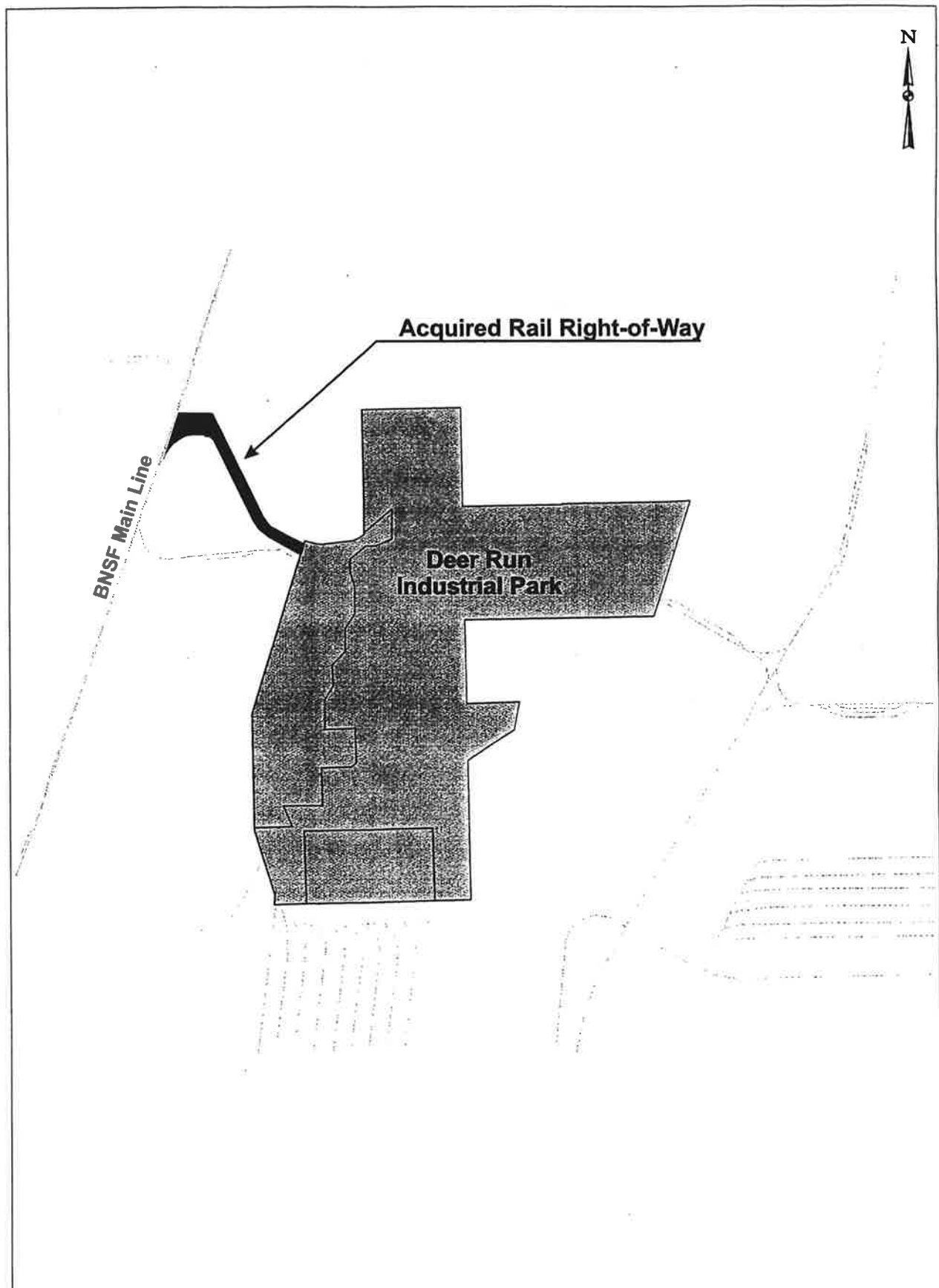


Exhibit 3-6: Acquired Railroad Right-of-Way

Market Potential

Section Four

Section Four

Market Potential

In considering the market potential of land at the Joliet Arsenal, a market research analysis has been conducted. The findings presented here are drawn from personal and telephone interviews with development officials, transportation officials and other local interests. It also takes into consideration documented trends affecting the marketplace.

Industrial Market Trends

National Trends in Facilities

- The majority of absorption activity continues to be in large distribution spaces of 100,000 sq. ft. and greater
- Emerging trends include increased demand for truck and trailer storage as well as a renewed interest in rail-served properties
- Unusually large speculative buildings as large as 400,000 to 500,000 sq. ft are being successfully marketed in larger metro areas including Chicago. Tenants are typically third-party logistics companies as well as other users who are consolidating from other locations.
- High-cube space, with 30-foot clear ceilings, reinforced floors, fiber optic cables, high pressure sprinklers and cross loading capabilities will dominate the industrial sector, particularly in larger markets.¹
- Trend towards outsourcing of real estate (leasing) and logistics.
- REITs (Real Estate Investment Trusts) were the primary purchasers of industrial real estate in 1998.²

National Trends in Site Selection

- Increased global competition, greater customer demands and shortened cycle times are pressuring manufactures to expand capacity
- Nearly half (47%) of midsize manufacturing companies will either build a new facility or relocate an existing one within the next five years.³
- Of those companies that plan to build or move, 62% cite the availability of skilled workers as a particularly important criterion for selecting a given area.⁴
- Almost as many (61%) say being closer to major customers is an important factor in determining where they will locate. Proximity to key suppliers is also a strategic consideration.⁵
- The majority (55%) are moving closer to another operation or are consolidating facilities.⁶

¹ Information taken from "Commercial Market Report" <http://www.insignia-eng.com/marketing/market-industrial/market.html> (ESG/Insignia).

² Ibid.

³ Grant Thornton Survey of American Manufacturers 1998. <http://www.grantthornton.com/gtonline/mandist/gtsam9gtsam/9gtsam4.html>

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

- Among manufactures that expect to move in the next five years, 41% will seek to lower their state and local tax burden.⁷

Chicago Area Industrial/Warehouse Trends

- With approximately 1.2 billion square feet of facilities, the Greater Chicago region is the largest warehouse/industrial market in North America
- The area market expanded over 27 million sq. ft. in 1998
- 1998 was a banner year with continued rise in rental rates and sales prices and a decline in vacancy
- One-third of the nation's GDP is created within 8 hours of Chicago making the metro area a major distribution center for consumer product companies and retailers
- High-cube warehouse/distribution space is the most sought after product type and represents over 57% of the Chicago industrial square footage; 79.3% on the I-55 Corridor. (See Table 4-1)
- Growing preference toward leasing
- Table 4-1 provides a comprehensive snapshot to of the region's industrial market characteristics categorized by market sub-areas.

Competitive Analysis

Area Business/Industrial Parks

DuPage County gained major development momentum for industrial land in the late 1970s. This development has carried on aggressively to bring increased growth to Will County. Low tax rates, coupled with competitively priced land, will continue to attract many developers to Will County.

Today, there are at least 70 industrial/business parks scattered throughout Will County. Appendix B provides a comprehensive listing and description of these sites. The most intense development is focused along the I-55 corridor just south of the I-355 interchange in the Romeoville and Bolingbrook areas. Key parks include:

- Remington Business Park
- Windham Lakes Business Park
- International Centre
- Crossroads Distribution Center
- Wood Crest Centre
- Bolingbrook Business Park

⁷ Ibid.

Table 4-1
Overall Statistics for the Chicago Industrial Market

| Third Quarter 1998 | | | | | | | |
|--------------------|------------------------------------|-------------------|-------|-------------------|-----|-------------|-----------------------|
| | Town | Total Square Feet | # | Total Avail. S.F. | # | % Available | Average Building Size |
| | | | | | | Absorption | Mix |
| North/Northwest | Total Southeast Lake County | 16,523,554 | 289 | 2,611,811 | 41 | 15.8% | 37,950 |
| | Manufacturing | 5,825,540 | 111 | 292,716 | 6 | 5.0% | 52,482 |
| | Service Tech | 1,200,716 | 27 | 40,957 | 2 | 3.4% | 44,471 |
| | Warehouse | 9,497,298 | 151 | 2,278,138 | 33 | 24.0% | 62,896 |
| | Total Southwest Lake County | 16,025,435 | 306 | 1,907,802 | 42 | 11.9% | 52,371 |
| | Manufacturing | 7,247,077 | 182 | 343,811 | 12 | 4.7% | 39,819 |
| | Service Tech | 701,300 | 19 | 159,243 | 5 | 22.7% | 45.2% |
| | Warehouse | 8,077,058 | 105 | 1,404,748 | 25 | 17.4% | 36,911 |
| | Total North Lake County | 21,101,202 | 235 | 2,551,900 | 32 | 12.1% | 76,924 |
| | Manufacturing | 7,462,694 | 121 | 218,960 | 5 | 2.9% | 89,792 |
| | Service Tech | 48,250 | 2 | 22,000 | 1 | 45.6% | 61,675 |
| | Warehouse | 13,590,258 | 112 | 2,310,940 | 26 | 17.0% | 35.4% |
| O'Hare | Total North Cook County | 29,071,068 | 409 | 1,895,603 | 44 | 6.5% | 121,342 |
| | Manufacturing | 15,260,589 | 262 | 985,164 | 20 | 6.5% | 58,247 |
| | Service Tech | 3,017,040 | 45 | 349,978 | 10 | 11.6% | 52.5% |
| | Warehouse | 10,793,439 | 102 | 560,461 | 14 | 5.2% | 67,045 |
| | Total Northwest Cook County | 35,991,126 | 680 | 2,802,826 | 81 | 7.8% | 105,818 |
| | Manufacturing | 14,967,676 | 320 | 613,731 | 20 | 4.1% | 52,928 |
| | Service Tech | 3,590,999 | 67 | 419,709 | 20 | 11.7% | 46,774 |
| | Warehouse | 17,432,451 | 293 | 1,769,386 | 41 | 10.1% | 53,597 |
| | Total East O'Hare | 71,425,657 | 764 | 5,846,725 | 72 | 8.2% | 59,496 |
| | Manufacturing | 43,148,111 | 508 | 2,251,740 | 37 | 5.2% | 93,489 |
| | Service Tech | 236,733 | 7 | 10,000 | 1 | 4.2% | 84,937 |
| | Warehouse | 28,040,813 | 249 | 3,584,985 | 34 | 12.8% | 33,819 |
| West | Total West O'Hare | 86,924,712 | 1,522 | 8,447,309 | 184 | 9.7% | 112,614 |
| | Manufacturing | 29,195,914 | 816 | 1,540,880 | 55 | 5.3% | 35,779 |
| | Service Tech | 3,801,628 | 65 | 662,509 | 19 | 17.4% | 58,487 |
| | Warehouse | 53,927,170 | 641 | 6,243,920 | 110 | 11.6% | 84,130 |
| | Total West Cen. DuPage | 31,038,557 | 385 | 5,507,379 | 78 | 17.7% | 80,620 |
| | Manufacturing | 9,270,936 | 189 | 266,641 | 14 | 2.9% | 49,053 |
| | Service Tech | 6,822,219 | 13 | 417,444 | 7 | 6.1% | 524,786 |
| | Warehouse | 21,085,402 | 183 | 4,823,294 | 57 | 22.9% | 115,221 |
| | Total East Cen. DuPage | 42,176,004 | 899 | 3,626,871 | 93 | 8.6% | 46,914 |
| | Manufacturing | 17,149,049 | 511 | 633,626 | 31 | 3.7% | 33,560 |
| | Service Tech | 1,993,707 | 38 | 196,154 | 9 | 9.8% | 52,466 |
| | Warehouse | 23,033,248 | 350 | 2,797,091 | 53 | 12.1% | 65,809 |
| Far West | Total East-West Corridor | 14,485,774 | 270 | 1,827,596 | 41 | 12.6% | 53,651 |
| | Manufacturing | 4,514,154 | 138 | 3,431,222 | 12 | 76.0% | 32,711 |
| | Service Tech | 996,105 | 22 | 181,316 | 6 | 18.2% | 45,278 |
| | Warehouse | 8,975,515 | 110 | 1,303,158 | 23 | 14.5% | 81,596 |
| | Total Fox Valley | 44,605,020 | 626 | 5,059,290 | 98 | 11.3% | 71,254 |
| | Manufacturing | 14,211,146 | 314 | 824,323 | 29 | 5.8% | 45,258 |
| | Service Tech | 981,905 | 15 | 266,000 | 3 | 27.1% | 65,460 |
| | Warehouse | 29,411,969 | 297 | 3,968,967 | 66 | 13.5% | 99,030 |
| | Total I-55 | 19,222,470 | 213 | 4,358,627 | 48 | 22.7% | 90,246 |
| | Manufacturing | 2,612,380 | 70 | 151,049 | 7 | 5.8% | 37,320 |
| | Service Tech | 1,368,071 | 19 | 90,413 | 2 | 6.6% | 72,004 |
| | Warehouse | 15,242,019 | 124 | 4,117,165 | 39 | 27.0% | 122,920 |
| South/Southwest | Total Near South | 34,023,869 | 310 | 3,575,745 | 42 | 10.5% | 109,754 |
| | Manufacturing | 12,572,987 | 140 | 275,607 | 11 | 2.2% | 89,807 |
| | Service Tech | 119,032 | 3 | - | - | 0.0% | 39,677 |
| | Warehouse | 21,331,850 | 167 | 3,300,138 | 31 | 15.5% | 127,736 |
| | Total Far South | 12,884,283 | 166 | 2,449,799 | 45 | 19.0% | 77,616 |
| | Manufacturing | 2,020,939 | 56 | 412,467 | 17 | 20.4% | 36,088 |
| | Service Tech | 90,300 | 3 | 43,232 | 2 | 47.9% | 30,100 |
| | Warehouse | 10,773,044 | 107 | 1,994,100 | 26 | 18.5% | 100,683 |

Table Continued on Following Page

| | | | | | | | | | |
|---------------|-----------------------------|--------------------|--------------|-------------------|--------------|--------------|----------------|----------------|-------|
| Far Northwest | Total McHenry County | 7,685,038 | 114 | 2,120,850 | 34 | 27.6% | 3,345 | 67,413 | |
| | Manufacturing | 2,714,747 | 56 | 577,491 | 10 | 21.3% | 130,150 | 48,478 | 35.3% |
| | Service Tech | 254,680 | 7 | 43,636 | 2 | 17.1% | - | 36,383 | 3.3% |
| | Warehouse | 4,715,611 | 51 | 1,499,723 | 22 | 31.8% | (126,805) | 92,463 | 61.4% |
| | Total West I-90 | 12,133,111 | 233 | 1,538,454 | 29 | 13.5% | 16,972 | 52,073 | |
| | Manufacturing | 5,072,872 | 125 | 316,639 | 9 | 6.2% | 23,064 | 40,583 | 41.8% |
| | Service Tech | 296,429 | 12 | 29,000 | 1 | 9.8% | - | 24,702 | 2.4% |
| | Warehouse | 6,763,810 | 96 | 1,292,815 | 19 | 19.1% | (6,092) | 70,456 | 55.7% |
| | Total S.E. Wisconsin | 4,587,085 | 26 | 1,780,221 | 14 | 38.8% | 218,756 | 176,426 | |
| | Manufacturing | 215,480 | 7 | 127,180 | 3 | 59.0% | (23,000) | 30,783 | 4.7% |
| Wisconsin | Service Tech | 252,500 | 1 | 14,484 | 1 | 5.7% | (14,484) | 252,500 | 5.5% |
| | Warehouse | 4,119,105 | 18 | 1,638,557 | 10 | 39.8% | 256,240 | 228,839 | 89.8% |
| | Overall Statistics | 499,903,965 | 7,447 | 58,008,808 | 1,018 | 11.6% | 209,693 | 67,128 | |
| | Manufacturing | 193,462,291 | 3,926 | 10,175,147 | 298 | 5.3% | (311,465) | 49,277 | 38.7% |
| | Service Tech | 19,631,614 | 365 | 2,946,075 | 91 | 15.0% | (179,679) | 53,785 | 3.9% |
| | Warehouse | 286,810,060 | 3,156 | 44,887,586 | 629 | 15.7% | 700,837 | 90,878 | 57.4% |

Source: Insignia/ESG, Industrial Market Report, Suburban Chicago Third Quarter 1998

These parks are typically characterized by large “big box” warehouse distribution facilities. In fact, seventy-nine percent of this land is used for warehousing operations.^{8,9} This area represents one of the fastest growing submarkets in the Chicago industrial market. Demand at these parks has been so high that much of the development has occurred on a speculative basis. The future extension of I-355 to I-80 is a major factor contributing to the high prospects for demand at this location. But as demand continues to soar, so does the value of land. This is where the JADA property could offer a competitive edge.

There are other parks located further south and in close proximity to the JADA industrial sites. Some of these parks are fairly new and most already have utilities and infrastructure in place. These parks are as follows:

- Timber Ridge Business Park
- Amendodge Business Park
- Shorewood Industrial Park
- Rock Run Business Park
- Riverside Industrial Park
- Channahon Industrial Park

These parks, totaling 690 acres, have seen rapid development at their respective sites and continue to see peak interest in prime development sites. Of these sites, only one has available rail facilities. Additional small parks are scattered throughout Will County, mostly geared for light industrial and warehousing operations. Most of these developments already have utilities and site infrastructure in place, making them a significant source of competition for the Deer Run and Island City industrial parks.

⁸ Third Quarter 1998 Suburban Chicago Industrial Market Report, Insignia/ESG, Inc.

⁹ Crain's Chicago Business, <http://www.crainschicagobusiness.com/resources>

In order to successfully compete in this aggressively competitive market, JADA must emphasize the uniqueness of its properties. Two distinct and unique characteristics include the size of the parcels and the opportunities associated with rail access.

Large Tract Properties in the Midwest

Few industrial developments in the Midwest contain over 1,000 acres. These sites are scattered throughout the Midwest, with limited competition in the Chicago area. Table 4-2 provides basic information on large tract industrial properties in the Midwest:

Table 4-2
Large Tract Industrial Properties

| Location | Total Acres | Avail | Rail | Infrastructure | Price |
|----------------------------------------------------------------|-------------|-------|-----------------|-----------------------------------------------------------------------------------------|--------------------------------------|
| Peru, Indiana Grissom Redevelopment Auth. | 1300 | 460 | none | All in - Water, sewer, roads, fiber optic Government agency within county government | \$0 to \$25,000 |
| Kansas City, Missouri Northland Park | 2200 | 1800 | CSX | All in - Private | |
| St. Louis, Missouri Gateway | 2500 | 2300 | NS | All in - Water, sewer roads Private Owner - tax abatement for 10 years | \$60,000 per acre Enterprise Zone |
| Davenport, Iowa Greater Davenport Redevelopment Corporation | 1200 | 1150 | | All in - Water, sewer, roads, fiber optics City owned - tax abatement for 5 years | |
| Waterloo, Iowa | 1900 | 1500 | IC | All in - Water, sewer, roads, fiber optics City owned - tax abatement for 5 years | \$0 to \$25,000 |
| Gary, Indiana USX | 3000 | 1500 | Conrail EG&E | All in - Water, sewer, roads, fiber optics Privately owned | |
| Portage, Indiana Bethlehem/Holiday | 1000 | 1000 | | All in - Water, sewer, roads, fiber optics Privately owned | |
| Kenosha, Wisconsin Wispark | 1600 | 600 | CP UP | All in - Water, sewer, roads, fiber optics Privately owned | |

Target Industries

The Joliet/Will County Center for Economic Development recently completed target industry profiles for the Will County area. These profiles identified three major industries for Will County to target in their economic development efforts. Administrative Service Centers, Production Machinery and Equipment, and Telecommunications were cited as the top three projected growth industries in Will County in 1998. Target industries were selected base on the following goals:

1. Offer the best match between the county's competitive opportunities and industry needs.
2. Offer an opportunity for all sectors of the county.
3. Identify industries that would offer diversified employment opportunities for the county's residents and labor market.
4. Offer opportunities for economic advancement through growing industries, or industries that are showing continued capital and human resource investment.

Rationale behind these target markets and the resultant development considerations are as follows:

Telecommunications

Description: Telephone and telegraph apparatus, radio and television broadcasting and communications equipment, communications equipment, miscellaneous electronic components

- A high growth industry particularly in the electronics component sector
- Demand for product is very strong both domestic and foreign
- The Chicago metro area is the nation's largest employer in telecommunications than any other market and maintains giving it a well established industry presence and competitive edge
- The Chicago area leads all other markets in gains in telecommunication operations (1990-1995)
- Average annual employee earnings exceed \$40,000

Facility Needs:

- Trend toward large facilities with an average of 90 employees
- Size requirements typically range between 25,000 and 100,000 sq. ft.
- Typically prefer existing buildings within industrial or business parks
- Excellent trucking services required

Administrative Centers

Description: A facility where administrative functions are conducted such as billings, claims, order processing, and various office support functions. Also know as "back offices", these facilities are typically located apart from the corporate headquarters.

These types of operations are commonly associated with insurance, financial services, and banking sectors as well as a broad variety of other industries ranging from manufacturing to business services.

- The Chicago area is host to more administrative service center operations (374) than any other markets, including New York and Los Angeles.
- Majority of functions are carried out by clerical workers, para-professionals, mid-level professionals and other support personnel.
- Trend is toward the consolidation of regional or district offices and outsourcing to third party entities.
- The insurance industry represents the largest number of new establishments
- Computer professionals represent 5% to 30% of total employment
- Labor is available in Will County for all needed occupations except for experienced information systems personnel, which is typical in most markets.
- Below-average labor cost is a factor in site selection
- The south suburban area's post-secondary educational institutions provide a valuable source of administrative center labor with over 23,000 college students.
- Available telecommunications infrastructure a critical factor (ISDN, T-1 lines etc.)
- Community provided pre-employment training is desired.

Facility Needs

- Prefer to lease
- 40,000 to 75,000 sq. ft. of Class A or Class B office space
- A large percentage strongly prefer existing space to meet shortened deadlines for initial occupancy
- Flex space and former retail are typical candidates

Production Machinery and Equipment

Description: Manufacturing of machinery and replacement parts for for construction, metalworking, industrial, refrigeration, and service industry.

- The production machinery and equipment industry is geographically located in the Midwest, especially in the Chicago metro area.
- The Chicago MSA (between 1990 and 1995) ranked second in terms of target establishment gains.
- While Chicago MSA gained target establishments it lost employment in this industry
- The Chicago region, including Will County has a large established production machinery and equipment industry base
- Industry requires access to first class, post secondary vocational training facilities
- Generally high wages with an average at \$35,000 per year
- The industrial machinery sector maintains the largest share of employees and establishments and represent the highest paid sector.
- Well over 70% of all target firms in U.S. employ fewer than twenty workers

Facility Needs

- Prefer existing buildings within industrial or business parks
- 10,000 to 50,000 sq. ft.
- Quick access to domestic markets suppliers and services
- Air cargo and late drop off or pick-up schedules a plus
- Some with foreign activity prefer to be near customs clearing centers

Other Prospective Markets/Trends for JADA

- Food Processing Industry
- Large Paper Industry
- Home Building Materials

Intermodal Development Opportunities

It is no coincidence that the Chicago region is the largest cargo volume handler in North America. It's geographic position strengthened by a massive infrastructure of rail, roadways and ports by air and water also make it the third largest volume handler in the world. Transportation of people and goods has historically been one of the primary engines driving the economy of the Chicago region. Today, the transportation industry is the fastest growing segment of the world's economy forecasted to grow at a rate of two to three times the gross domestic product over the next 15 years.¹⁰ This has some obvious implications for the Chicago region as a whole and at the same time reveals a unique strategic positioning opportunity for the JADA industrial complex.

Much attention has been focused on potential intermodal development at the Deer Run site. Such an operation would involve the transloading or transfer of trailers and/or containers from truck to rail and vice versa. The fact that both the public and private sector have identified intermodal development at the Deer Run site lends credibility to its place as a viable opportunity. The rationale behind the intermodal concept is based on the combination of the following factors:

Market growth in the rail/trucking industry

It has been reported that the number of containers moved by rail in 1994 totaled approximately 8 million, a significant growth from three million in the early 1980's.¹¹ Increased efficiencies resulting from market demands and technological advances have made intermodal transportation an increasingly vital component of industry's logistics formula. An estimated 25 percent savings can be obtained, for example, by replacing long distance truck movements with efficiently coordinated intermodal transportation (rail and

¹⁰ A Profile of the Freight/Intermodal Industry in the Chicago Metropolitan Region, brochure produced by CATS, 1997

¹¹ US DOT, FHWA, Intermodal Freight Transportation Fact Sheet Federal Aid Eligibility.

truck) for overland movements of more than 700 miles.¹² A comparison has been made that one train can haul the equivalent of 400 trucks.

Growth in this industry has been spurred by technological innovations in containers and trailers that allow cargo to remain in one large receptacle that can be carried or stacked on a truck, rail car or ships. Increased sophistication resulting from computerized inventories, electronic transmission of shipping instructions and tracking of shipments across multiple carriers are making the movement of goods on multiple modes a seamless operation and reducing the overall cost of transportation and logistics.

Another factor contributing to the transition to intermodal transport is the efforts by motor carriers to respond to driver shortages and turnovers due to driver fatigue. This results in the concentration of longer haul movements to rail versus trucks which are most efficient for short distances.

Rail/Intermodal market dynamics

- The railroad world is now essentially five companies. CSX and Norfolk Southern serve the east while Burlington Northern Santa Fe and Union Pacific serve the west. A fifth significant player is Canadian Pacific/Illinois Central Gulf which serves Chicago and south to the Gulf of Mexico.
- Short-line railroads draw traffic into these main trunk lines. This consolidation has simplified life for corporate shippers by limiting competition but has increased the risk of service disruptions caused by labor problems or natural disasters.
- One significant site selection trend over the past five years directly related to consolidation, as reported by railroad contacts, is that large shippers are requiring properties with easy access to two different railroads. Their goal for "joint service" is to insure competitive pricing and improve service reliability.
- Rail companies bring with them industrial customers who locate facilities nearby. The vast majority of all prospects come from current users. Based on our research, only about 10-12% of the rail site prospects come as non-users. Prospects are substantially light manufacturing and warehousing. There are few "heavy" industrial users in pending prospect files. Site requests are typically 3 - 5 acres. Ten acres is a big site.
- Reportedly, a few developers have contacted railroad development officials to inquire about speculative building opportunities for warehousing in the range 200,000 - 500,000 sq.ft. None have taken any definitive action yet.

¹² Ibid.

- For Burlington Northern Santa Fe there is currently only very limited amount of rail served property along I-55. This has been an important corridor for them in the past.
- One specific advantage of the arsenal site, noted by a railroad contact, is that it would allow through rail traffic to avoid the general congestion in Chicago.
- CenterPoint Properties relationships with existing shippers in their many industrial properties gives them a strong position to successfully develop the arsenal site.

Chicago's leadership in this nation's distribution network

The Chicago MSA is recognized as the rail/intermodal capital of the world. With 75% of the nation's intermodal traffic passing through the State of Illinois, this region is geographically characterized as the absolute fulcrum of rail activity in North America. Situated in the Midwest, nearly half of the nation's rail/intermodal shipments originate, terminate or connect in the Chicago metro-area.¹³ U.S. Department of Transportation statistics reveal that more trucks pass through the State of Illinois than any other.¹⁴ Chicago also boasts the third largest port in the world and does more intermodal business than all other cities except Hong Kong and Singapore.

This region's need for additional capacity

Chicago is also host to more intermodal facilities than any other metropolitan area in the United States. These intermodal facilities comprise in total over 2,800 acres of land. Table 4-3 identifies the various rail/intermodal yards throughout the Chicago region. This table has been compiled by the Chicago Area Transportation Study (CATS) as a part of an extensive ongoing series of intermodal-related studies conducted to examine the aspects of the business and operating environment of the freight industry in Northeastern Illinois. A copy of "A Preliminary Examination of Future Intermodal Volumes in Northeast Illinois and Implications for Land Use" is contained in Appendix E of this report.

The 1997 CATS study forecasts what they claim is a conservative growth rate of 6.1% average annual growth in the number of lifts. It was estimated that by 2020, as much as 7,000+ acres would be required within the region to handle the projected demand compared with the 2,800 acres currently in use. Alternative forecasts projected as much as 9,096 and 12,128 acres needed.

Another factor to consider is the size of facilities being required. The consolidation of intermodal services into massive hub terminals is a national trend. While acreage is

¹³ Intermodal Freight Transportation, Projects & Planning Issues (GAO/NSIAD – 96-159) July 9, 1996.

¹⁴ "Estimating State-Level Truck Activities in America" US DOT, Bureau of Transportation Statistics, Journal of Transportation & Statistics, Volume 1, Number 1, January 1998.

increasing, the number of intermodal terminals has declined from 1,500 in 1975 to 230 in 1992.

The need for additional capacity was highlighted just recently in Union Pacific's efforts to develop 700 acres in DuPage County. The negative public response verifies the increasing challenges rail companies will face in attempting to develop intermodal facilities within the densely urbanized Chicago metroplex. The CATS study concludes that the region is running out of intermodal capacity and at the same time running out of useable acreage. The one viable opportunity that the CATS study identifies for further examination is the potential for taking advantage of the 3,000 available acres at the Joliet Arsenal.

Studies conducted by the U.S. General Accounting Office (GAO) and the U.S. Department of Transportation (DOT) have also identified capacity issues confronting the Chicago region's network of intermodal rail yards and the highways that connect them.¹⁵
¹⁶ ¹⁷ Because rail terminals are located near the center of the city, the studies highlight that much of the truck traffic associated with intermodal activity is commingled with Chicago urban traffic. Although funds are being sought to improve connections between intermodal facilities, rail yards are at capacity. In both the 1992 and 1996 report on intermodal freight transportation, the GAO concludes that a more longer-term solution be pursued such as a multi-user intermodal terminal located near or in the city that would permit rail-to-rail connections. Echoing the report, the USDOT recommends a site outside the city in order to alleviate inner city truck traffic.

¹⁵ Intermodal Freight Transportation: Combined Rail-Truck Service Offers Public Benefits, but challenges remain (GAO/RCED – 93-16, Dec. 18, 1992).

¹⁶ Intermodal Freight Transportation: Project & Planning Issues (GAO/NSIAD – 96-159) July 9, 1996.

¹⁷ Intermodal Freight Transportation: Fact Sheet Federal Aid Eligibility (US DOT FHWA).

Table 4-3
Summary of Intermodal Yards

| Acres in use, Northeast Illinois, 1995 data | | | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------------|---------|--------------------|------------------|---------------------------------|
| YARD I.D. | YARD NAME | OWNER/ OPERATOR | ACRES | PERCENT IN I/U USE | ACRES IN I/M USE | NOTES (i.e. changes since 1995) |
| 1 C | 113 Yard Center/ a Yard [Dolton] | UPRR | 107.47 | 100% | 107.47 | |
| 2 C116 | Markham | ICRR [WC & SP as tenants] | 546.58 | 60% | 327.95 | IC added as tenant |
| 3 C2 | Schiller (2 yards) | CPRS | 58.81 | 100% | 58.81 | |
| 4 C27 | Canal Street | UPRR | 21.32 | 100% | 21.32 | |
| 5 C29 | IMX | UPRR (SP lessee) | 113.61 | 100% | 113.61 | |
| 6 C3 | Bensenville | CPRS (also for I&MRR) | 42.8.8 | 35% | 150.08 | |
| 7 C30A | Global I | UPRR | 84.39 | 100% | 84.39 | |
| 8 C30B | Western Ave. | BNSF | 59.47 | 100% | 59.47 | |
| 9 C38 | 26th St (CC&P) | CC&P (lessee) | 17.94 | 100% | 17.94 | vacated |
| 19 C74 | Forest Hill | UPRR (SP lessee) | 38.78 | 100% | 38.78 | |
| 11 C40 | Cicero | BNSF | 266.34 | 66% | 175.78 | |
| 12 C45 | Willow Springs | BNSF | 351.53 | 90% | 316.38 | |
| 13 C47A | Bedford Park | CSX | 192.56 | 100% | 192.56 | |
| 14 C52 | Corwith | BNSF | 307.32 | 75% | 23.49 | expanding |
| 15 C62 | Railport | CN | 51.3 | 100% | 51.3 | vacated |
| 16 C64 | Edison (lumber) | CN | 116.85 | 50% | 58.425 | over 50% vacant |
| 17 C66 | 47th/51st/55th Strts | Conrail | 99.97 | 100% | 99.97 | |
| 18 C67 | | Conrail | 50 | 100% | 50 | |
| 19 C69 | 63rd Street | Conrail | 99.69 | 100% | 99.69 | |
| 20 C6A | Global II (I/M Only) | UPRR | 157.74 | 100% | 157.73 | |
| 21 C73 | Landers | NS | 123.35 | 100% | 123.35 | |
| 22 C89 | Calumet [Triple Crown] | NS | 144.88 | 40% | 57.95 | |
| 23 C94B | Burr Oak | IAIS | 89.46 | 50% | 44.73 | |
| 24 C65 | 59th Street | CSX | 132 | 0% [vacant] | | under construction |
| 25 W (Will) 02 | Joliet | EJ&E | 64.78 | 5% | 3.24 | |
| 26 D (DuPage) 01 | West Chicago | UPRR | 1.77 | 5% | 8.85 | |
| | Transloaders | | | | | |
| a | Naperville | BNSF | est. 20 | 100% | 20 | |
| b | West Chicago | UPRR | est. 20 | 100% | 20 | |
| c | Chicago Heights | UPRR | est. 20 | 100% | 20 | |
| Adjustment factor for conservative estimates of areas at 5% | | | | | 135.5 | |
| TOTAL | | | | | 2845.765 | |
| <p>* [ref. page 6 of text]</p> <p>1. If the acreages were calculated as follows: from aerial photos of the region an engineering technician, under CATS' tutelage, estimated the outline of each rail yard and digitized it into CATS' GIS package which has an algorithm that calculates area. CATS staff then estimated from site visit the % area given over to intermodal at each non-exclusive yard.</p> <p>2. At some or all of the yards there is space that we might call "inert", which is given over to inert equipment storage, i.e. not pre-lift or post-lift storage. This "inert" space is included in the yard acreages, because we have no plausible way for isolating it.</p> <p>3. There are many locations/yards (sometimes called container ports) throughout the region that are used for storage, repair, maintenance, etc. of equipment - these areas are NOT included in the table, in the acreages, or in the arithmetic in this paper.</p> <p>Source: CATS: A Preliminary Examination of Future Intermodal Volumes in Northeastern Illinois and Implications for Land Use.</p> | | | | | | |

The availability of the largest parcel of compatible land in the region, in proximity to a major transportation infrastructure of rail and highway, make the JADA industrial sites a prime location for a major intermodal transportation facility. Such a facility would facilitate the transloading of containers between rail and trucks and rail to rail. The prospect of a third major airport at Peotone only enhances the transportation advantages that the JADA site offers to businesses relying on multiple transportation modes.

Other Opportunities

Energy

As power deregulation gains momentum, many smaller companies are preparing to enter the power generation market in low-cost locations. The location of the ComEd high-voltage line at the Deer Run Industrial Park, coupled with the availability of excess natural gas from a nearby oil refinery, provides a tremendous low-cost opportunity for thermal power generation for the park. By establishing a power plant at the Deer Run site, the sponsor and developer have the ability to provide a low-cost energy source for tenants and sell power to the Midwest grid system. Inexpensive power is a major incentive for manufacturers. These site advantages create additional capital for development as well as improve the marketability of the overall park.

Water Supply

Water resources at the two industrial park sites offer the potential for on-site water facilities as well as distribution to municipalities and/or the regional water system. Two river pumping stations, one on the Des Plaines River and one on the Kankakee River, plus five deep water wells ranging from 1,500 to 1,700 feet in depth offer abundant water resources to operate the parks. Each of the wells has a pumping capacity ranging from 1,000 to 1,400 gallons per minute.

Available water at the parks provides an added market bonus in providing low-cost water to tenants. The ability to sell additional water to the regional system could create additional capital for development.

The Development Community

The Joliet Arsenal project represents a major economic development initiative. The ability to move ahead on a project of this magnitude will require the cooperative efforts of both the public and private sector. CenterPoint Properties Trust of Oak Brook, Illinois has an option on the Deer Run Park and is in the process of site investigation and development planning. CenterPoint will bring considerable experience, vision and resources as a private developer, which will catalyze the development.

CenterPoint Properties Trust is the largest owner and developer of industrial real estate in metropolitan Chicago. Advantages that the private development community brings to a project of this nature include:

- **Access to Market Capital** – CenterPoint is a Real Estate Investment Trust (REIT) company publicly traded on the stock market.
- **Experience and first hand knowledge of the marketplace** – CenterPoint successfully maintains a portfolio of over 133 industrial facilities totaling over 27 million square feet within the Chicago MSA.

- **In-place marketing network and resources** - With an array of prior experience in industrial development, CenterPoint provides the most cost-effective means for marketing as compared to developing in-house marketing capacity for JADA.

No interest has been shown yet by the top-level developers at the Island City site to date. Interest may continue to be delayed until utilities are extended to the Park. Development at the Island City Park will largely rest upon the momentum to be achieved on the Deer Run Site where the development community synergies are currently concentrated. What is realized at Deer Run will set the stage for Island City.

Land Use Strategy

Section Five

Section Five

Land Use Strategy

The success of the JADA economic development venture will depend on the ability to appropriately focus attention on those uses which not only provide the most potential for locating to the site but that would induce further economic development. One would anticipate that over time, numerous development proposals will be presented.

The goal of this process is to create a context for the development of 3,000 acres. A development of this magnitude requires not so much a specific layout plan as much as a framework for prioritizing development decisions. This is important for two primary reasons:

1. The project's large scale affords opportunities that can have a more far reaching regional impact than the average industrial/business park.
2. Without a context or vision, development risks occurring in a piecemeal or arbitrary fashion.

The purpose of this analysis is not to just evaluate alternative land use strategies, but to place them within proper context. Rather than select one specific alternative for 3,000 acres, this Strategic Plan attempts to prioritize uses and provide a framework by which future land development decisions can be made. This is an ongoing process. What is presented here is based on what we assume today. These priorities should be revisited and refined over time to reflect changes in the marketplace, planning priorities and community needs.

The Development Catalyst - What We Know Today

A development of this magnitude requires a catalyst. Since the 1995 Study, there is now a viable proposal on the table that offers a cohesive vision for the JADA economic development program. As previously mentioned, CenterPoint has optioned the Deer Run site and is completing on-site investigation and development planning. The development of the Deer Run site as currently proposed represents the largest public/private initiative underway in the State of Illinois and possibly throughout the entire Midwest. It is modeled after the successful Alliance industrial trade complex in Fort Worth, Texas.

As presently conceived, the development could include:

- Major Intermodal rail facility (400 to 600 acres)
- Large scale industrial and warehouse distribution
- 75 mg (minimum) power plant
- Adjacent industrial development

The strategy for Deer Run is compatible with the mission of JADA and will play a strategic role in defining the remainder of JADA properties, specifically Island City Park.

Overall Guiding Principals and Market Positioning

The Land Use Strategy for the JADA properties is based on several major principals, as follows:

1. Transportation as the Cohesive Vision

Of all the land use options presented to date, the intermodal/transportation concept represents a cohesive vision for the JADA sites. Rationale for this concept includes:

- The existence of a major intermodal capacity deficit in the Northeastern Illinois region as identified by the regional transportation planning agency and the federal government
- Railroads are looking for space
- Chicago is the transportation hub of the region
- This project provides the opportunity to maintain that viability
- The market has already responded to this concept via a major developer and potential railroad ready to initialize development of a major intermodal facility at the Deer Run site.
- It positions the property in such a way as to strategically set it apart from competing parks while at the same time enhancing the overall marketability of the region.
- The intermodal concept would serve to attract additional industry to the site
- As the southwest anchor to the I-55 corridor, the intermodal concept at the Arsenal would attract additional infill development south of existing I-55 industrial development
- The Arsenal's proximity to the proposed Peotone Airport further supports the concept of Will County as this region's growing transportation hub.

Facility Considerations

Discussions with CATS and with rail companies give credibility to the potential for a "multi-user" facility as recommended by the GAO. A current plan on the table would result in a 600-acre multi-user intermodal facility at the Deer Run Park. This would make the Arsenal site the first multi-user intermodal facility in the Chicago region. It has been implied by CATS officials that if the rail partners at the Arsenal are successful, that others would rush to follow.

Therefore, care must be taken to preserve the possibility for development and expansion of intermodal facilities. The planning criteria specified by CATS suggests a configuration that is approximately 1.5 miles long and ¼ mile wide totaling approximately 240 acres, For emphasis purposes, the CATS report gives context to the Arsenal site by mentioning that it could theoretically accommodate the equivalent of 12 such sites. How much

intermodal space is needed will be determined over time as the market responds. At this time all intermodal potential is focused at the Deer Run site.

2. Land Uses that Complement the Transportation/Distribution Concept

As previously indicated, there is evidence of a strong demand for industrial property in the Chicago metropolitan region. The bulk of new developments is in the warehouse/distribution and manufacturing sectors.

Rationale for Warehouse/Distribution

- Chicago is the warehouse/distribution capital of the nation
- It represents the largest sector of industrial property in the region
- Most warehouse/distribution expansion is taking place in the I-55 corridor
- The JADA sites are in the path of that expansion
- The intermodal potential of the JADA sites would be attractive to w/d development
- Very high absorption

Rationale for Manufacturing

- Generates more employment per square feet
- Typically higher wages
- Typically more long term
- More capital intensive, therefore higher property values and tax revenues
- More potential for spin-offs
- Trend toward consolidation requiring larger sites

There are obvious advantages to pursuing manufacturing over warehouse/distribution from the public benefit standpoint. The realities are, however, that prospects are fewer in manufacturing and therefore the competition much more intense. The development community is currently realizing its greatest gains in the warehouse/distribution market thereby making it an attractive pursuit on their part.

Based on area market trends a reasonable share of warehouse/distribution to manufacturing could range anywhere from 50/50 to 80/20. In light of JADA's mission to create jobs and increase taxes, the 50/50 mix would produce the most productive results. However, consideration must be given to the fact that as Will County strengthens its position as a major intermodal distribution center, it strengthens its marketability to manufacturers that rely on transportation as a major part of their operations and production.

3. A Plan that Accommodates Flexibility

The plan should incorporate flexibility that will permit adapting to unique needs of potential companies and future market trends. The Plan should not be so rigid as to

become quickly invalid as the market evolves. It is therefore conceptual in nature – a work in progress.

4. Leverage Environmental Resources as an Amenity

Sensitivity to the open prairie land that surrounds the parks will ensure that the development complements the natural environment. The pastoral setting of the Midewin Prairie and other associated environmental resources, such as wetlands and habitat areas, can in turn enhance the value of the workplace environment.

5. Quality Development

Today's companies have placed a higher priority on quality environments when selecting a location. Landscaping, architecturally treated building materials, and state-of-the-art design guidelines guarantee the overall integrity and value of a property. CenterPoint's typical investments are characterized by high development standards, value-added features and clean users. Such standards will ensure that structures will compliment each other and at the same time enhance the environment. The scale of this development permits the potential of dividing the parks into distinct sectors, each oriented and marketed toward different types of users and designed with varying levels of quality and controls.

Deer Run Park

Land Use Concepts

The 1995 *Preliminary Redevelopment Plan* divided the park into development zones. These zones were established based on existing environmental factors, infrastructure reliability, transportation options present and the overall marketability of each zone within the park site. Each zone was then divided into 18-acre to 47-acre "pods," or development areas, with rail access to all pod areas. Each pod could be adaptable to large tenants or subdivided for those with less land requirements. The "pods" provided a framework for the large site and was sensitive to environmental constraints, sensitive areas, water facilities and other parcels where development was not desirable.

The current plan for the Deer Run Industrial Park incorporates this concept in industrial development, but proposes a major intermodal rail facility for rail-to-truck operations west of Baseline Road. The individual industrial lots will have access to rail sidings as well. The Deer Run site is anticipated to carry primarily light industrial or distribution uses, with some limited commercial development for travel-related services (truck stops, hotels, etc.). The preliminary land use concept for the Deer Run Industrial Park is shown in Exhibit 5-1. Major characteristics of the Deer Run Plan include intermodal facilities, industrial development and commercial development.

Intermodal Facilities

The site configuration is well suited for intermodal facility development. As the Land Use Plan indicates, the western portion of the site is preserved for intermodal facility development. Features would be similar to the state-of-the-art BNSF rail facility at the Alliance complex in Fort Worth, Texas, which includes a rail yard for through trains, connecting trains, and switching cars and intermodal transportation center for the transloading of large cargo containers and freight trailers via truck. Support facilities would include fueling stations and buildings for maintenance and office activities. The new modern intermodal complexes are clean as depicted in the photo of the Alliance BNSF facility in Exhibit 5-2.

Access through U.S. Department of Agriculture Forest Service property will be accomplished in order to achieve connection with the BNSF rail line to the west. Access to the Union Pacific rail would be to the east.

Industrial Development

The Land Use Plan for the Deer Run site provides for 340 acres of industrial development space just east of Baseline Road. Each site has access potential to rail if required. CenterPoint also has an option on an additional 350 acres of non-JADA land between the east boundary of the Deer Run site and IL Rte. 53.

Most of the facilities planned for the Deer Run park will be constructed and owned by CenterPoint and leased to tenants. The type of companies anticipated at the Deer Run site will be similar in nature to the broad range of companies established at the Alliance development. Appendix C provides a listing and description of those companies.

Commercial Development

There exists rationale for considering potential commercial development that accommodates the needs of the Deer Run Park tenants and surrounding users. Facilities such as restaurants, convenience stores, banks and possibly a hotel could be developed at the intersection of IL 53 and Hoff Road. This intersection could serve as a major focal point bringing together the Deer Run Park, The Veterans Cemetery and the Midewin Prairie. It is also the proposed site of future transit oriented development as discussed in Section 9.

Island City

Opportunities

Unlike the Deer Run Park, no comprehensive plan or proposal has been presented for the Island City park. A strategic component of the City of Wilmington's economic development agenda, efforts are underway to extend municipal services and annex the park in the near future. As the Deer Run Park gains momentum, consideration of how the Island City Park will be strategically positioned needs to be considered. Will it merely

follow in the footsteps of the Deer Run Park, or should it be established and marketed concurrently as a separate and distinctive product? Through meetings and discussions with various individuals and organizations, a variety of concepts or ideas have been entertained beyond the traditional industrial/ warehouse uses. They include:

- Corporate campus business park
- Recreational
- Commercial
- Intermodal expansion

Corporate Campus/Business Park

Such an area would be defined within the park for prospects desiring a higher quality environment. The goal of this area will be to establish a campus-type atmosphere for companies engaged in research, technology and/or corporate office developments. Emphasis will be placed on more extensive landscaping, green space, architectural quality and developing a “sense of place” where exchange is encouraged. Because of its untouched condition, the eastern-most portion of the IC site would provide the most attractive location for siting businesses within the context of the “prairie” environment. The typical tenant within this area would be at a smaller scale than the larger transportation based companies (20,000-50,000).

Rationale for this type of use includes:

- An upscale business park creates a new product category in Wilmington and southern Will County.
- Class A characteristics will position the park in the top tier of the competition
- Enhances the community’s image.
- Adds value to the overall development.

A significant challenge to upscale development of this type would be the site’s proximity to an operational landfill. The need to screen and buffer the visual impact of the landfill would be a major consideration until the landfill ceases operation.

Recreational (Golf Course)

Interest has been expressed in exploring recreational opportunities at the Island City park. This could include a potential golf course.

Rationale includes:

- Such an opportunity would take advantage of the aesthetic value of the prairie, integrating its characteristics and features into the industrial park.
- Golf courses are also an effective use of open space that collects revenue
- Golf courses are an effective and aesthetically pleasing means for integrating the management of storm water for a large development
- It would also serve as a value-added amenity to attract development to Wilmington and specifically the Island City Park.
- Would be complimentary to the upscale corporate campus

Such a use would likely occur in the latter phases of development, as these are ancillary uses that would follow the primary development. Like the corporate campus, one significant challenge would be the proximity to an operational landfill.

Commercial

Commercial uses commensurate with industrial/business park developments typically include restaurants, hotels and/or banking facilities. Proximity to such services, particularly within the confines of the park itself, enhance a site's marketability. Commercial uses typically rely on high traffic volumes and good visibility. The site's remoteness from any urbanized area limits any potential for commercial uses at this time. If commercial uses were to be considered for the future, preservation of land area along the most western edge of the site, most visible to I-53 would be preferable. In the long term, as development expands northward from Wilmington toward the Island City site, commercial development may be realized off-site that supports the park.

Intermodal Expansion

The Island City site is situated between two rail lines – the Union Pacific to the west and the Norfolk Southern to the east. Assuming the rail/intermodal concept achieves success at the Deer Run site, the Island City site would be positively positioned to accommodate future expansion. Even without a major intermodal facility, rail access is achievable for companies requiring such access. The challenge will be in acquiring needed land from the U.S. Forest Service to obtain access to the rail lines east and/or west of the park.

Development Challenges

Challenges to the development of the Island City Industrial Park site:

- Adjacent Landfill
- Landfill access runs along the west and north border of the western most section of the park. This type of activity is not typically consistent with clean uses.
- Rail access will require acquisition of land owned by the U.S. Forest Service that is part of the Midewin National Tallgrass Prairie.
- A 3-4 year cleanup is required on the western and middle sections of the park where development should logically begin.

Development Scenarios

Two separate scenarios (alternatives) have been prepared for the Island City Park site. These two scenarios are very conceptual in nature and are presented to graphically portray the various opportunities and challenges associated with the site. The ultimate configuration will be a result of market driven forces combined with community planning goals and values. These scenarios are shown as Exhibits 5-3 and 5-4.

Scenario One

Features:

- Industrial/warehouse development in the first phases starting from the west,
- Provides option for rail access from the west being served by either Union Pacific or the BNSF. (A major intermodal facility would not be included in this scenario)
- Class A Business Park/Corporate Campus situated on the eastern portion of the park
- Golf course on the eastern most portion of the site
- Existing topography would be utilized to create buffer areas between the upscale areas and lesser areas specifically the landfill.

Scenario Two

Features

- Preserves option for an intermodal facility
- Intermodal facility would be compatible with landfill
- Emphasis would be more on industrial/warehouse development commensurate with the Deer Run park
- Upscale business park would not be as compatible
- Large scale of intermodal would separate upscale users from potential golf course

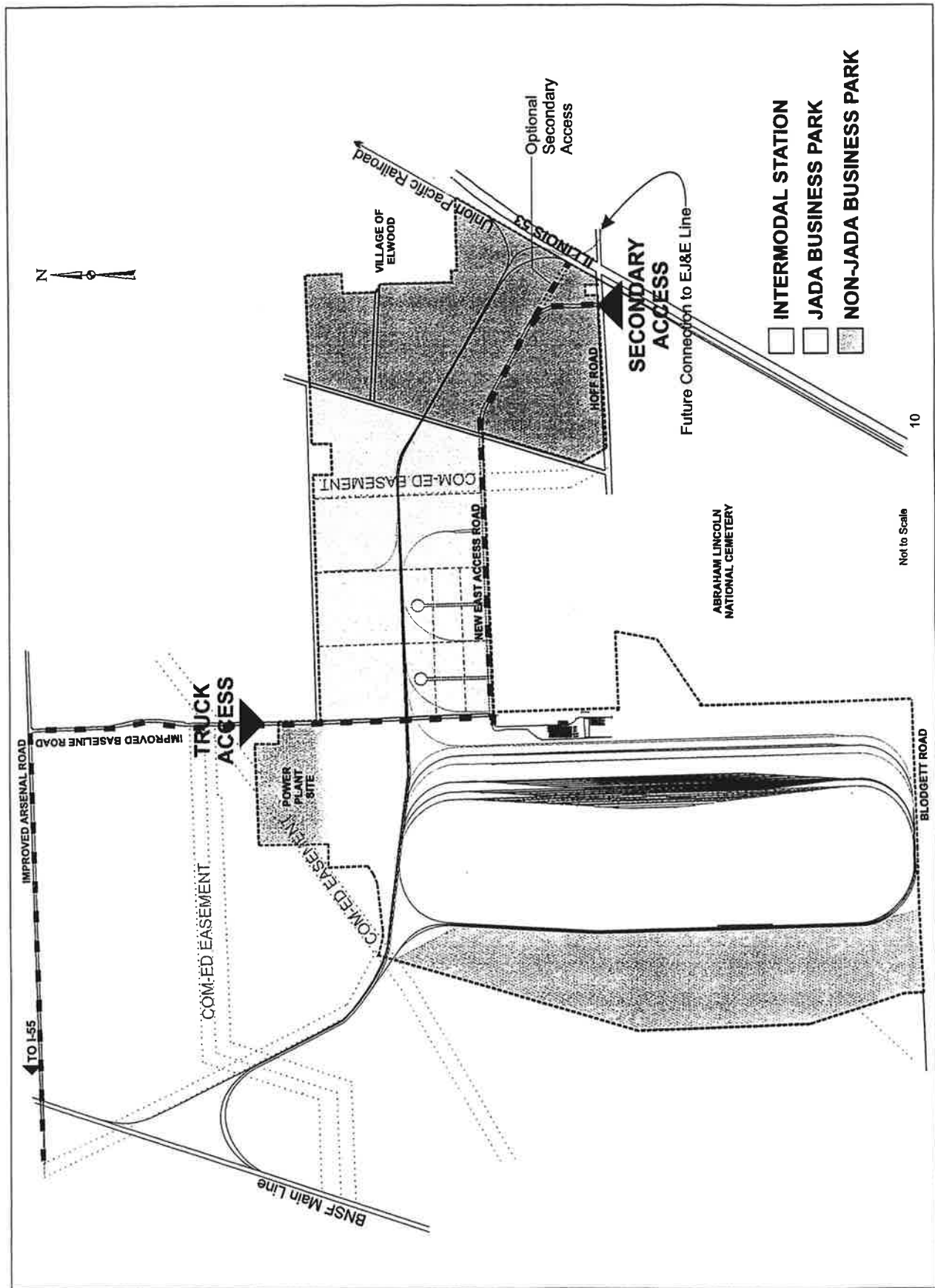


Exhibit 5-1: Deer Run Industrial Park Site Concept

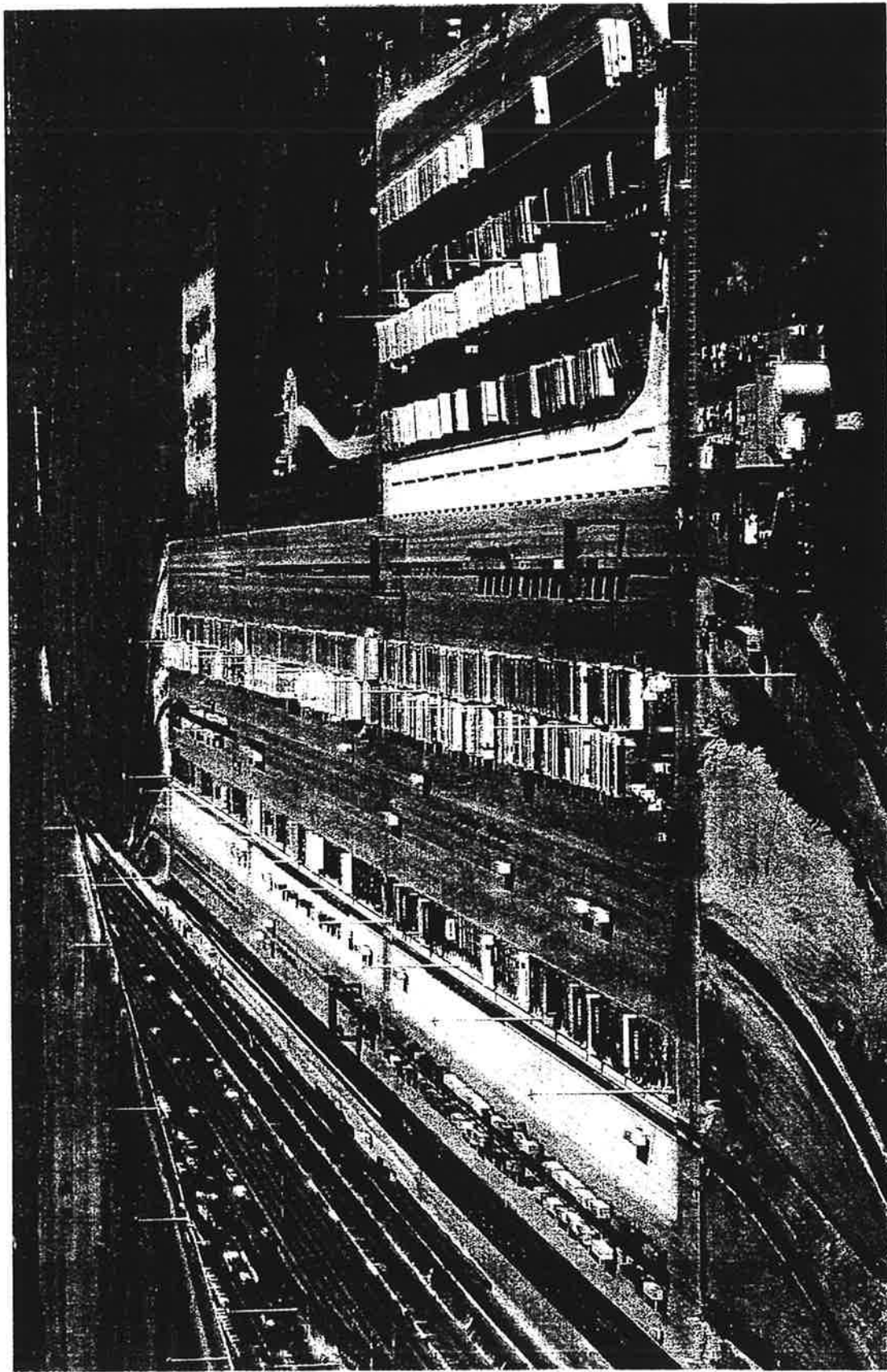


Exhibit 5-2: BNSF Intermodal Facility at Alliance Park, Fort Worth, Texas

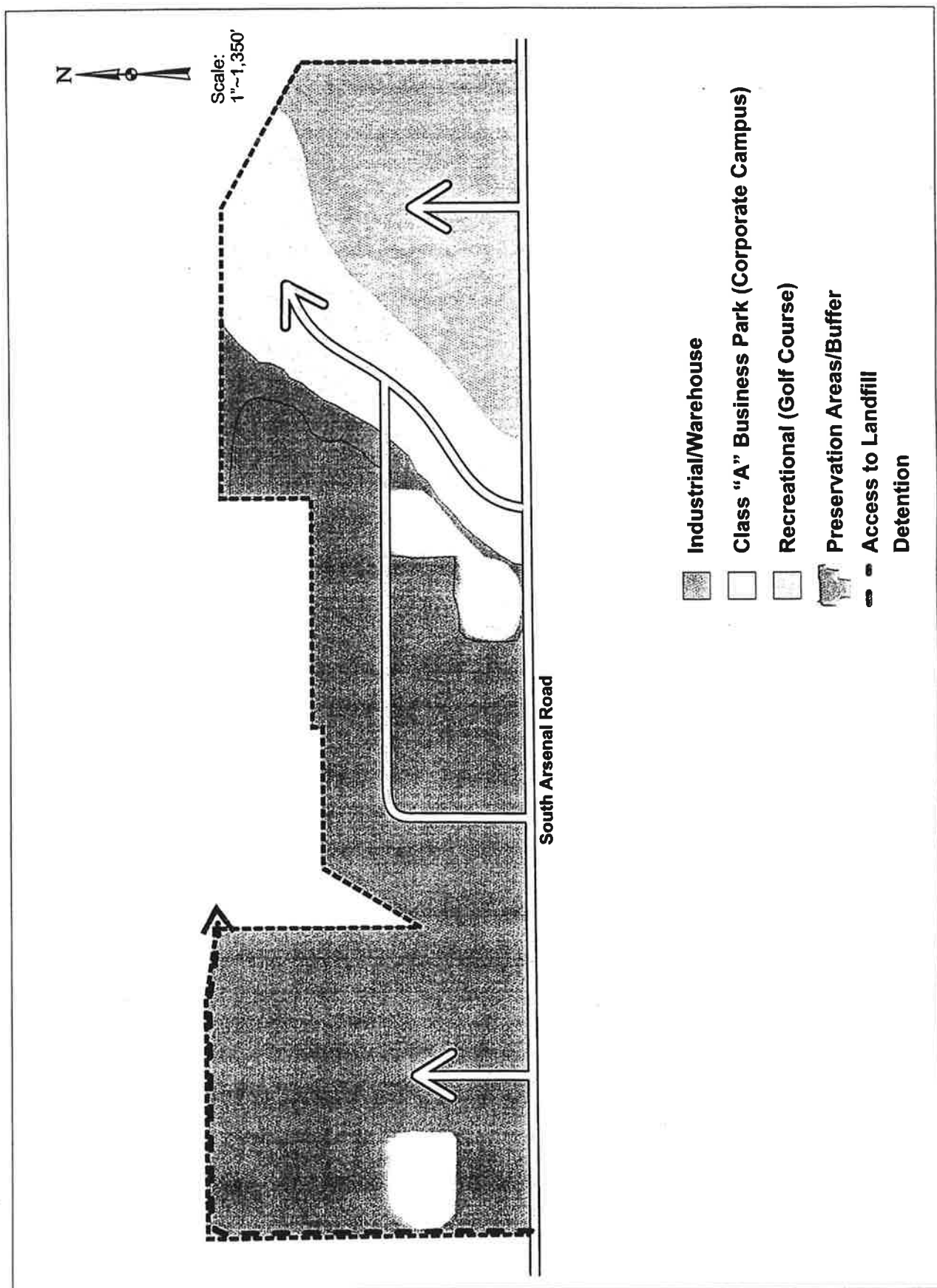


Exhibit 5-3: Island City Site Concept #1

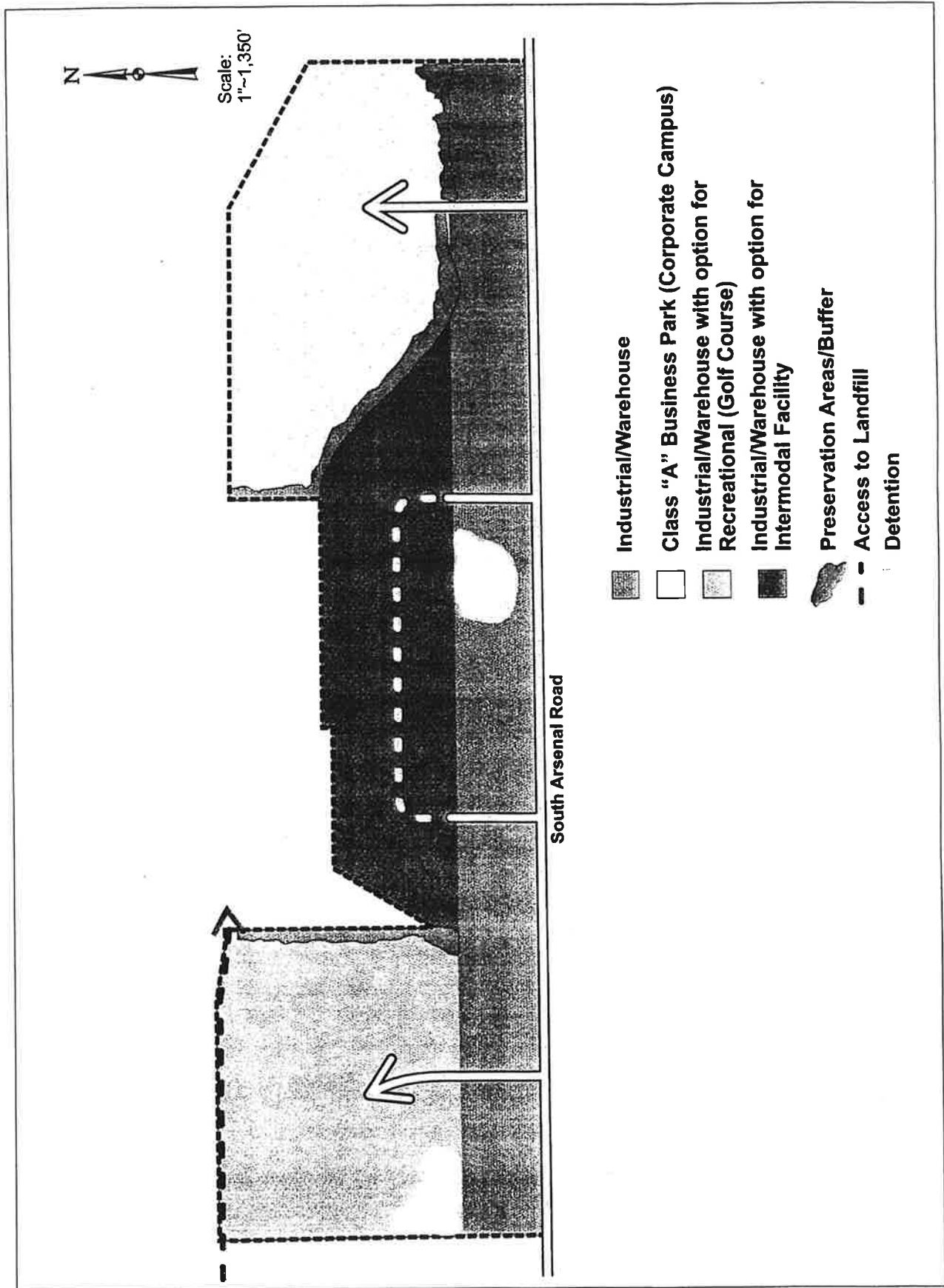


Exhibit 5-4: Island City Site Concept #2