



## Northwestern Steel & Wire

LOCATION: Sterling, IL

SIZE: 730 acres

FEATURES: Large parcel, flat land, riverfront, rail service

OWNER: Greater Sterling Development Realty and other companies

CURRENT USE: Mixed-use (mostly industrial, some commercial and recreational)

PAST USE: Steel Mill

CONTAMINANTS:

TOTAL ACTUAL COST: \$4.4 million for site assessment, clean-up and infrastructure

### TIMELINE

1878 Northwestern Steel & Wire (NSNW) Company is founded

1936 NSNW plant begins producing steel

2000 NSNW Company files for bankruptcy

2001 NSNW plant closes

2006 Greater Sterling Development Realty purchases 218 acres of land

### HISTORY

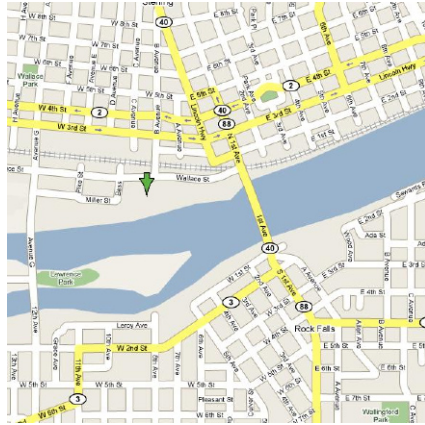
The Northwestern Steel & Wire Plant began producing steel in 1936. By 1979, the company had become one of Whiteside County's largest employers, employing close to 5000 people. Its decline in the 1990s led the company to close its doors in 2001. When the plant shut down, close to 1500 workers lost their jobs and 7500 seniors lost their retirement benefits. Since the plant shut down, the city of Sterling has seen residential areas around the site deteriorate and it has also encountered a sharp rise in public assistance demands.

### TOPOGRAPHY

The site of the old Northwestern Steel & Wire Plant, which is relatively flat and measures 730 acres, is located in the Whiteside County of Illinois. The Union Rail Line runs north of the property. Interstate 88 is two miles away from the site, while U.S. Route 30 is to the south of the site. The Rock River borders the south side of the site. The property itself is 110 miles from the city of Chicago.



Photo courtesy of [en.wikipedia.org/wiki/Northwestern\\_Steel\\_and\\_Wire](http://en.wikipedia.org/wiki/Northwestern_Steel_and_Wire) (1964)



Picture courtesy of Google Maps

## MARKET CONDITIONS

The plan is to develop the site for mainly industrial use since close to 30 percent of the people in Whiteside County are employed in the manufacturing industry, and the site was once a steel plant and thus it has facilities ideal for the industrial market. Some areas will be developed for commercial and recreational use. A greenway is also being proposed.

## SITE ASSEMBLY AND CONTROL

The original owner of the whole site was the Northwestern Steel & Wire Company. Initially, 512 acres of land was sold to different companies and developers for corporate

relocation and/or redevelopment purposes. The Sterling Steel Company, Rock River Lumber & Grain and Wilbert Vault Company are some of the few companies that bought parts of the site.

In 2006, Greater Sterling Development Realty (GSDR) purchased the remaining 218 acres. GSDR planned to sell the parcel as one whole contiguous property or as individual lots beginning at 20 acres. GSDR intended to target companies involved in manufacturing, transportation and warehousing.

## ENVIRONMENTAL PROBLEMS

Site assessments have revealed that contamination on the site was minimal, thus little clean-up was required. Since the contamination was manageable, parceling, which involves dividing large site into smaller parcels, was conducted. This allowed redevelopment to occur much more quickly.

## SOCIAL/COMMUNITY INFRASTRUCTURE

The Riverfront Redevelopment Task Force, which was created in 2007, is mainly responsible for creating ideas for the redevelopment of the site and establishing an action plan for the redevelopment. This task force is projected to last for two years and then it would be scaled back and transformed into a riverfront redevelopment commission, which would be responsible for running the area during its redevelopment. The task force is composed of stakeholders, the general public, and the City Council and staff members.

## PHYSICAL INFRASTRUCTURE

The local government had to upgrade 4.5 miles of water and sewer pipelines, but transportation and most utility infrastructure are already in place at the site. Several structures and buildings on the property were salvaged and upgraded.

## COSTS & ECONOMIC INFRASTRUCTURE

The State Government financed the environmental assessment and clean up for 70 percent of the property while the Federal Government financed the environmental assessment and clean up for 30 percent of the property. The Local Government provided incentives, like the creation of a Tax Increment Financing District, that would attract investors to the site. The private entities invested in the site were responsible for the redevelopment.

## CURRENT STATUS AND LESSONS LEARNED

More than 70% of the former Northwestern Steel and Wire property has already been purchased by various companies for redevelopment. The site is now home to 11 businesses, which include a retail outlet, a steel production operation and a grain terminal for shipping. 350 permanent jobs and 300 temporary jobs have already been created. The different companies present at the site have greatly diversified Sterling's economy, and because of this, larger retailers and manufacturers are being drawn to the area.

### FINANCING

U.S. EPA Brownfields Assessment Grants	\$400,000
Illinois EPA	\$420,000
Illinois Department of Transportation	\$500,000
Illinois Department of Commerce	\$25,000
City of Sterling	\$1,600,000
Sterling Township	\$200,000
Whiteside County	\$60,000
Private and Foundation Investments	\$1,200,000
Total	\$4,405,000



Photo courtesy of sterlingindustrialpark.com

Completed by Ronald Papa, Summer '08

### SOURCES

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Walters, Andrew. "218 Acres and a Plan." Sauk Valley. June 24, 2007.