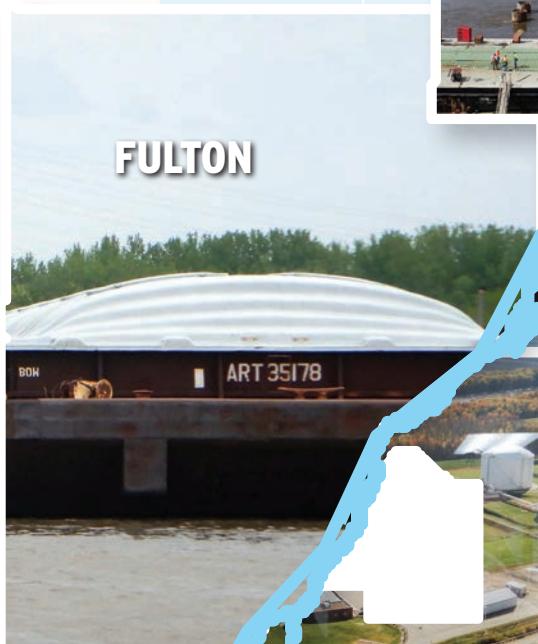


HEART OF ILLINOIS REGIONAL PORT DISTRICT

# MASTER PLAN AND IMPLEMENTATION STRATEGY



FULTON



PEORIA



MARSHALL

WOODFORD



TAZEWELL

MASON



TRI-COUNTY REGIONAL  
PLANNING COMMISSION



# EXECUTIVE SUMMARY

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**The Heart of Illinois Regional Port District (HIRPD) is one of twenty Illinois Port Districts established by state Legislature. The Port District's boundaries consist of Peoria, Fulton, Tazewell, Woodford, and Marshall Counties, and all of Mason County except for Havana Township. HIRPD is tasked with a defined mission to promote marine commercial and related activities, and a set of powers and authorities to do so, but owns no property or assets.**

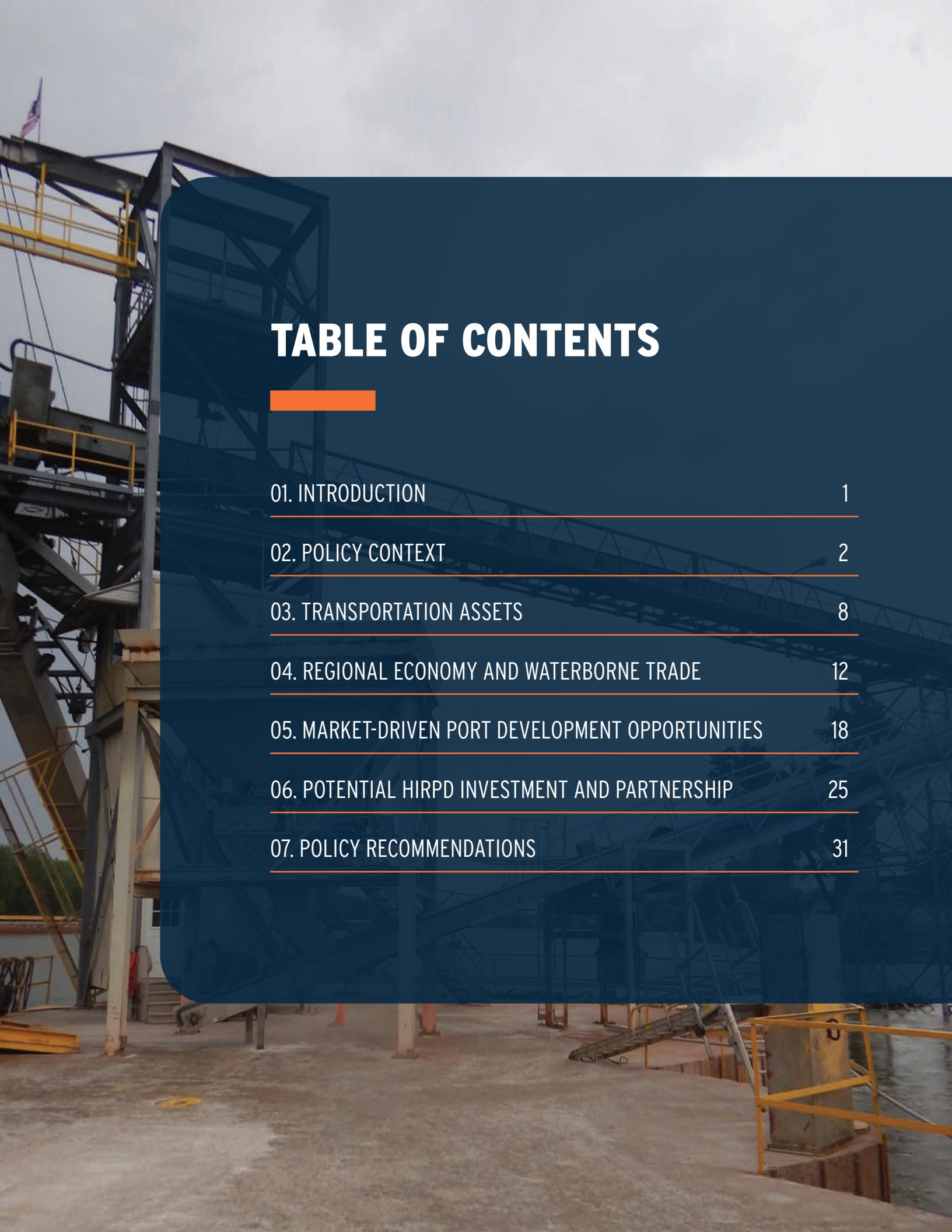
To assist HIRPD in advancing its mission, the Illinois Department of Transportation awarded a grant to the Tri-County Regional Planning Commission (TCRPC) to prepare HIRPD's first-ever Regional Port District Master Plan and Implementation Strategy (the Plan). The work began in June 2023 as a collaboration between Tri-County, HIRPD, the Greater Peoria Economic Development Council, and other partners. The Plan provides a blueprint for:

- Executing legislated HIRPD responsibilities
- Achieving Illinois LRTP goals
- Improving terminal assets in the HIRPD

- Framing collaboration, coordination, and support roles for HIRPD within the Port District and the larger Illinois Waterway Ports Commission (IWPC) region
- Evaluating market and terminal development opportunities
- Addressing land acquisition and leasing opportunities
- Promoting economic development in the HIRPD

Key recommendations include:

- Positioning HIRPD as a "Regional Partnership Port," focusing on financial and implementation support for existing port terminals and new public and private development projects consistent with HIRPD's mission.
- Promoting and advancing the development of a regional steel and metals-handling river port and rail hub, which would fill an existing gap in the region's marine transportation service offerings.
- Creating sustainable financing for HIRPD by issuing bonds for private development activities, generating revenues from HIRPD port development, and working with other Illinois ports that currently lack sustainable revenue streams to encourage a state program for annual support of Port District operations.



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# 01. INTRODUCTION

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**With funding from the Illinois Department of Transportation (IDOT), the Tri-County Regional Planning Commission (Tri-County), in collaboration with the Heart of Illinois Regional Port District (HIRPD) and the Greater Peoria Economic Development Council (GPEDC), has developed the Port District's first-ever Master Plan and Implementation Strategy.**

The Heart of Illinois Regional Port District was established by law in 2003 and is made up of Fulton, Marshall, Peoria, Tazewell, Woodford, and Mason (excluding Havana Township) counties. The port district is part of the greater Illinois Waterway Port Commission area. The population of the port district is roughly 400 thousand, who live over three thousand square miles. The port district is a mixture of rural and urban environments, with Peoria being the largest city within the port district and the 8th largest in Illinois. Many Fortune 500 companies have a significant presence in the area, which supports robust manufacturing and agriculture businesses. One of HIRPD's most important economic and transportation assets is the Illinois River – Marine Highway 55 – which flows 90.5 miles through the port district and traverses the Peoria Lock and Dam.

Additionally, the port district is served by four Class I railroads, one commercial airport, and significant federal, state, and regional truck routes.

HIRPD is one of the twenty public port districts set up by the state of Illinois. The state has granted HIRPD specific powers and authorities; however, it does not currently own any assets, operate facilities, or have a steady revenue stream beyond grant money. Furthermore, there has been no plan in place to guide future activities. This master plan and strategic implementation, along with its associated technical memos, provide HIRPD with the following:

- Defines the vision and goals for HIRPD
- Foundational understanding of the current transportation assets
- Outline current and future market dynamics
- Summarizes the port districts' legislative powers
- Offers governance options and recommendations
- Presents potential terminal opportunities
- Provides a blueprint to achieve HIRPD's vision and goals



## 02. POLICY CONTEXT

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**As context for the Plan, it is important to understand the policy context in which HIRPD operates. Key considerations include:**

- IDOT's Long-Range Transportation Plan (LRTP) goals, which the Plan must implement
- The specific HIRPD geography, which includes six counties (excluding Havana Township in Mason county), and is nested within the larger ten-county Illinois Waterway Port Commission area
- Other Port Master Plans recently developed in the region by the Havana Regional Port District in Mason County and the Port of Henry in Marshall County
- HIRPD's powers and authorities as granted by Illinois Legislature

## IDOT LONG-RANGE TRANSPORTATION PLAN GOALS

IDOT's Long-Range Transportation Plan (LRTP) provides the state's strategic direction for the development of the Illinois transportation system. According to state legislation, the state must create an LRTP every five years. The funding for the Heart of Illinois Regional Port District Master Plan and Strategy development was provided through state planning and research (SPR)

funds. SPR funds require planning projects to align with the goals of IDOT's LRTP. In 2019, IDOT adopted the LRTP as listed below. IDOT is updating its LRTP and is expected to release updated goals soon. The section below outlines how the HIRPD master plan aligns with current goals.

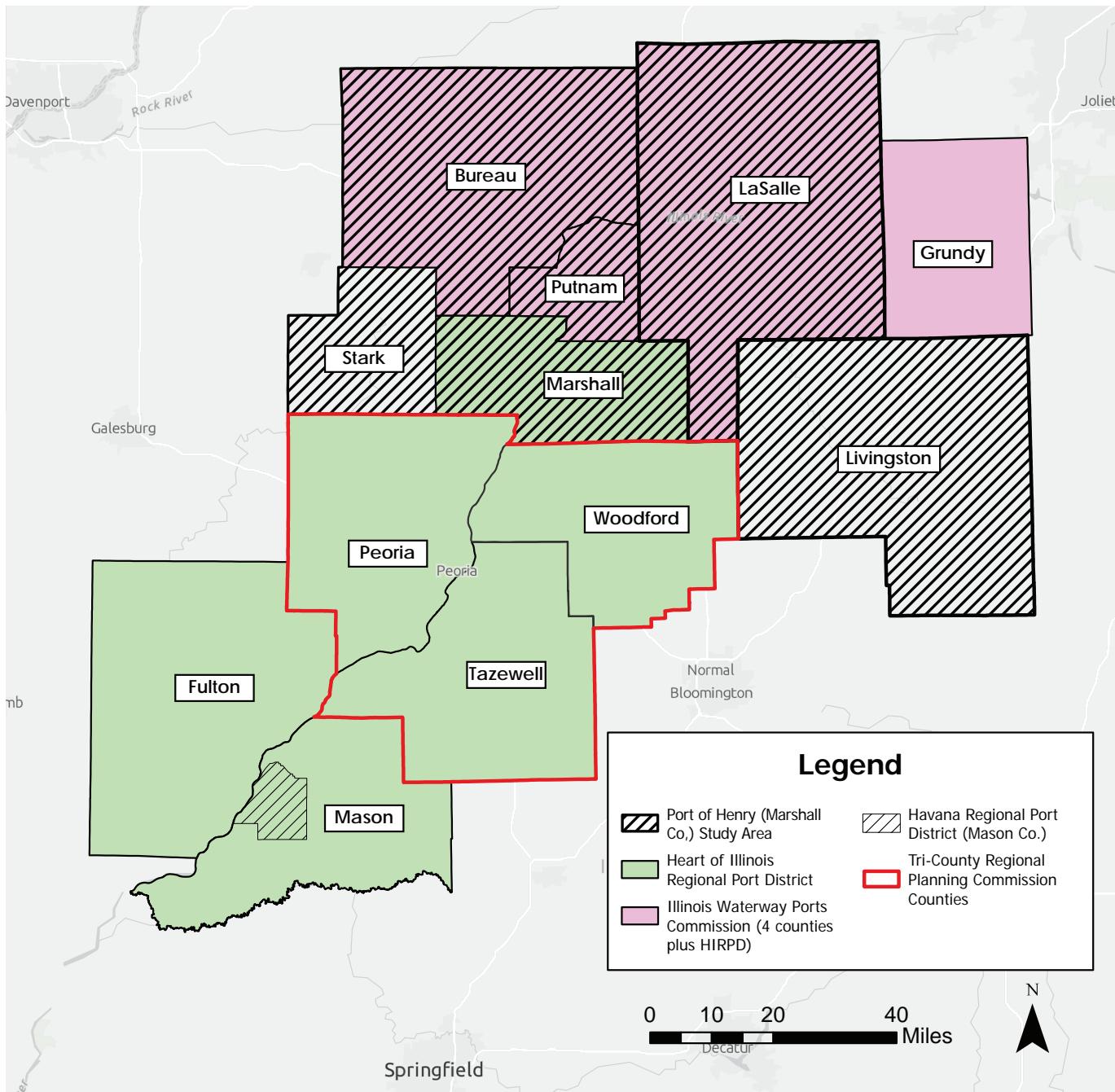
| LRTP GOALS         |   | → | HIRPD MASTER PLAN ALIGNMENT   |
|--------------------|---|---|---|
| <b>ECONOMY</b>     | <b>Improve Illinois' economy by providing transportation infrastructure that supports the efficient movement of people and goods.</b>   |   | The information and guidance in the master plan align with the LRTP economy goal. The master plan outlines potential opportunities for the port district to facilitate terminal development by constructing a new terminal or supporting improvements to an existing private facility. Any action taken by the port district utilizing its powers would enhance the movement of goods within the region, whether existing or new. |
| <b>LIVABILITY</b>  | <b>Enhance the quality of life across the state by ensuring that transportation investments advance local goals, provide multimodal options, and preserve the environment.</b>                  |   | The master plan promotes the livability goal by recommending the expansion of rail and maritime modes of transportation for freight movement. Diversifying transportation modes will reduce reliance on truck travel within the regional roadway network. This shift will enhance residents' quality of life by decreasing the number of trucks on the roads.   |
| <b>MOBILITY</b>    | <b>Support all modes of transportation to improve accessibility and safety by improving connections between all modes of transportation.</b>  |   | The master plan's recommendations stress the importance of site development having multimodal access to highways, railways, and waterways. Nearly all the site development options explored provided access to all three modes of transportation and improved connections between them.   |
| <b>RESILIENCY</b>  | <b>Proactively assess, plan and invest in the state's transportation system to ensure that our infrastructure is prepared to sustain and recover from extreme events and other disruptions.</b> |   | The recommendations within the master plan emphasize the importance of being multimodal. By adopting a multimodal approach, any developed site has redundancies in case other modes are unavailable due to disruptions, whether natural or manmade.   |
| <b>STEWARDSHIP</b> | <b>Safeguard existing funding and increase revenues to support system maintenance, modernization, and strategic growth of Illinois' transportation system.</b>                                  |   | The master plan outlines funding strategies for the port district to implement. These strategies detail which state and federal programs the port district can apply for. The plan provides the port district with guidance on which programs are best suited for its potential needs.  |

## GEOGRAPHY AND JURISDICTION

The Heart of Illinois Regional Port District is strategically located in central Illinois, which provides the district with a unique logistical advantage. One of the Port District's most important assets is the Illinois River (Marine Highway 55), which flows through the center of it. The Port District is made up of six counties and their surrounding areas, but does not include the Havana Regional Port District. Likewise, the Port District is

located within the recently designated Illinois Waterway Ports Commission Area (ILWW Ports Commission), which spans 175 miles from Mason County to Grundy County. The Port of Henry, Illinois (within the Port District) and the Port of Havana (contiguous to the Port District) have recently completed or are completing independent port master plans. Figure 1 shows the cross-jurisdictions that intersect with HIRPD.

**Figure 1: HIRPD AND RELATED PLANNING AREAS**



## RELATED PORT PLANS

### PORT OF HENRY MASTER PLAN

Located on the Illinois River within the HIRPD, midway between the Peoria and Starved Rock locks, the Port of Henry (POH) is strategically located in the heart of agricultural and industrial North Central Illinois. With barge and rail access, and a short drive to several interstate highways, the Port will provide area companies needing bulk and project cargo transportation an efficient, cost-effective option. The City of Henry is undertaking a port master plan study to create a regional, economic development engine to attract new industry and commerce, as well as support existing industry, for years to come.

The POH is a public-private partnership between the City of Henry and Ozinga Materials, the Mokena-based aggregate mining company, and is materializing from the extraction of gravel. The goal of the POH master plan is to identify several markets and industries that will benefit and utilize the river port and to prioritize the physical infrastructure projects that will support its development. As part of the Heart of Illinois Regional Port District in Central Illinois, the expansion of port facilities and capabilities in Henry at the northern portion of the district will provide an easily accessible river port facility to industry and commerce in Northern and North Central Illinois.

The Port of Henry – Port Master Plan will supply the City of Henry and its future development partners with documents to support and guide the Port's development, including:

- **Land Use Plan** with recommendations for future developments, consisting of conceptual site plan, engineering drawings, and associated implementation costs for priority developments.
- **Target Industry Analysis and Marketing Plan** that identifies industries to target based on the existing assets and strengths of the region and outlines strategies, tactics, and success metrics to focus on over the short-, medium-, and long-term.
- **Business Case** development for infrastructure investments based on targeted industries' use of the Port of Henry for moving goods into and out of the region, including volumes, transportation cost savings, and public benefits.
- **Port Operating Model Evaluation** and recommendation for future Port of Henry operations.



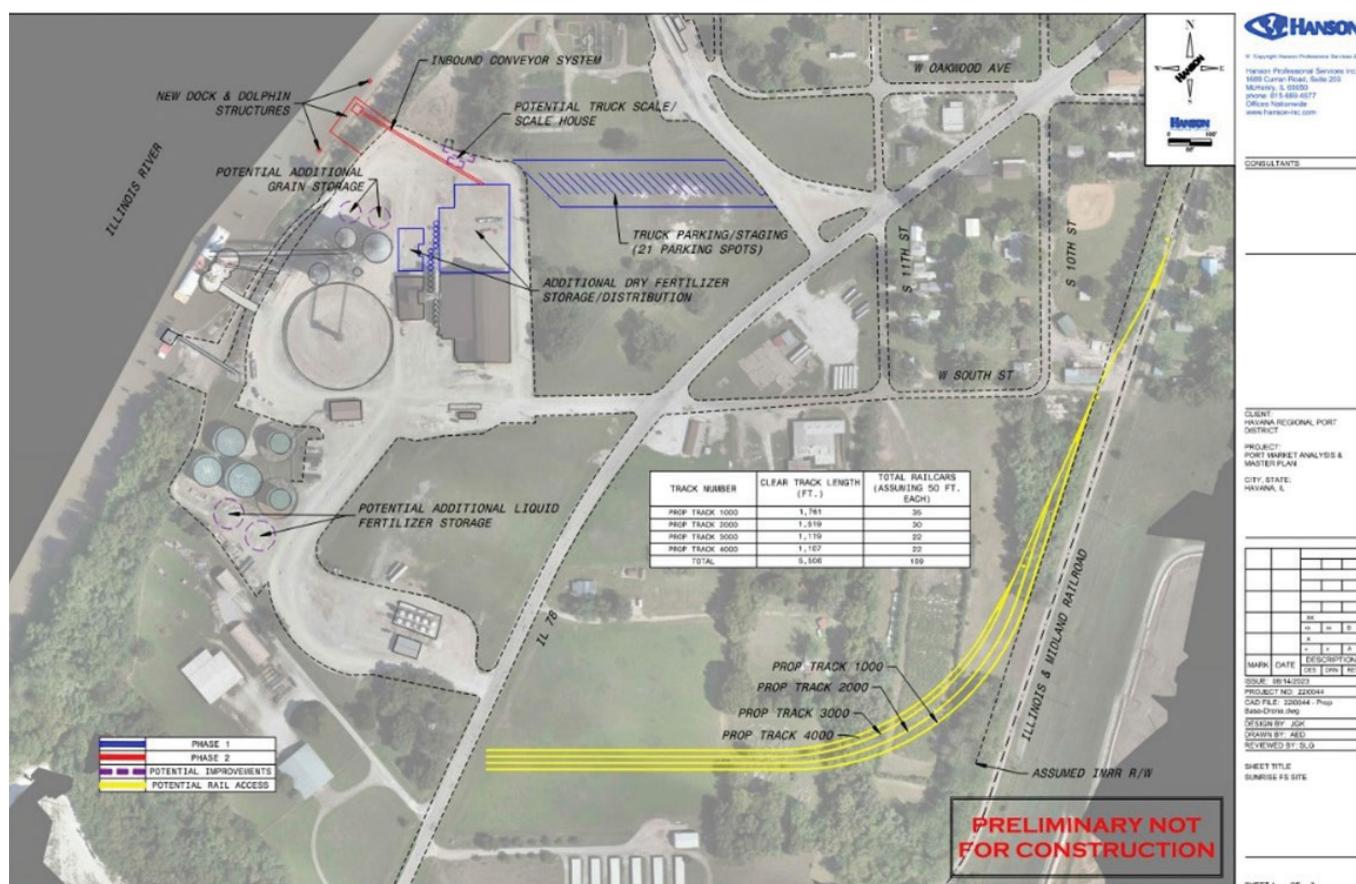
## PORT OF HAVANA MASTER PLAN [CALLOUT BOX]

The Havana Regional Port District (HRPD) is independent of HIRPD but is located within Mason County, the remainder of which is part of HIRPD. HRPD does not currently own any riverfront assets, but several privately-owned river terminals currently operate along the Havana riverfront and facilitate barge access to/from the Illinois River. HRPD is considering expansion of existing freight facilities or development of new freight facilities to accommodate projected increases in freight volumes and facilitate economic growth in the region. To support this effort, HRPD recently conducted a market analysis and master plan study to:

- Understand current/anticipated regional freight transportation market conditions.
- Determine current/anticipated needs within the regional freight transportation system.
- Identify potential freight and economic development opportunities.
- Identify site(s) within the Havana Township for potential freight facility expansion or new development.

- Develop an appropriate site master plan.

Business opportunities include transloading and modal shifting of commodities to water. Freight facility site planning efforts on two existing riverfront sites, and outreach and funding strategies were developed. HRPD continues to pursue additional funding opportunities to advance further efforts related to the development of the HRPD. In 2005 Growmark and HRPD submitted a Port Infrastructure Development Program ("PIDP") Grant Application for the Havana (Illinois) Regional Port District Expansion and Restoration Project. This rural, inland river small port project consists of restoration, rehabilitation and expansion of the existing Sunrise FS facility, including: riverbank restoration; new dry fertilizer storage; expansion and automation of liquid fertilizer capabilities; and electrical upgrades. The application received letters of support from HIRPD, GPEDC, the Illinois Waterway Ports Commission and others.



Source: Sunrise FS Concept Plan

Heart of Illinois Regional Port District Master Plan and Implementation Strategy

# HIRPD LEGISLATIVE POWERS

HIRPD is one of twenty port districts within the state. Each port district has its own enabling legislation that grants them powers and duties. Overall, the port is tasked with encouraging and, if necessary, participating in the development of terminal facilities along the Illinois River, as well as facilities without water access that support the goals of the port district. HIRPD was established in July 2003 when the governor signed the Heart of Illinois Regional Port District Act (70 ILCS 1807/). The Act outlines specific powers granted to the Port District by law.

## DUTIES

**HIRPD's enabling legislation outlines specific duties it has as a port district:**

- A.** Conduct studies to make recommendations to governmental agencies or the Illinois General Assembly on needs of the port district based off changing business and commercial needs.
- B.** Develop comprehensive plan for the development of port or intermodal facilities within the district. The recommendations may allow land – owned by the district – set aside for port or intermodal facility development. That land can be used by the district or leased to private parties for industrial, manufacturing, commercial, recreational, or harbor purposes. If land is not needed for the development of intermodal, harbor, or port facilities for the use of public water or land transportation the port district can lease that land for other purposes if the leasing of that land will be beneficial to promote future intermodal, terminal, or port facilities.
- C.** To study and make recommendations to the proper authority for the improvement of terminal, lighterage, wharfage, warehousing, transfer, and other facilities necessary for the promotion of commerce and the interchange of traffic within, to, and from the district.
- D.** To study, prepare, and recommend by specific proposals to the General Assembly changes in the jurisdiction of the district.
- E.** Allows for the Port District to petition federal, state, municipal or local governments which have jurisdiction within the district to make infrastructure improvements.
- F.** To foster, stimulate, and promote the shipment of cargoes and commerce through ports, whether originating within or without the State of Illinois.
- G.** Allows the port district to acquire, construct, own, lease, or develop terminals and supporting waterway infrastructure and services needed.

- H.** Conduct any function that will be useful to the development and improvement of port related facilities and services to increase commerce through the harbors and terminals within the district.
- I.** Allows the district to study and make recommendations for river resource management and environmental education within the district.

## POWERS

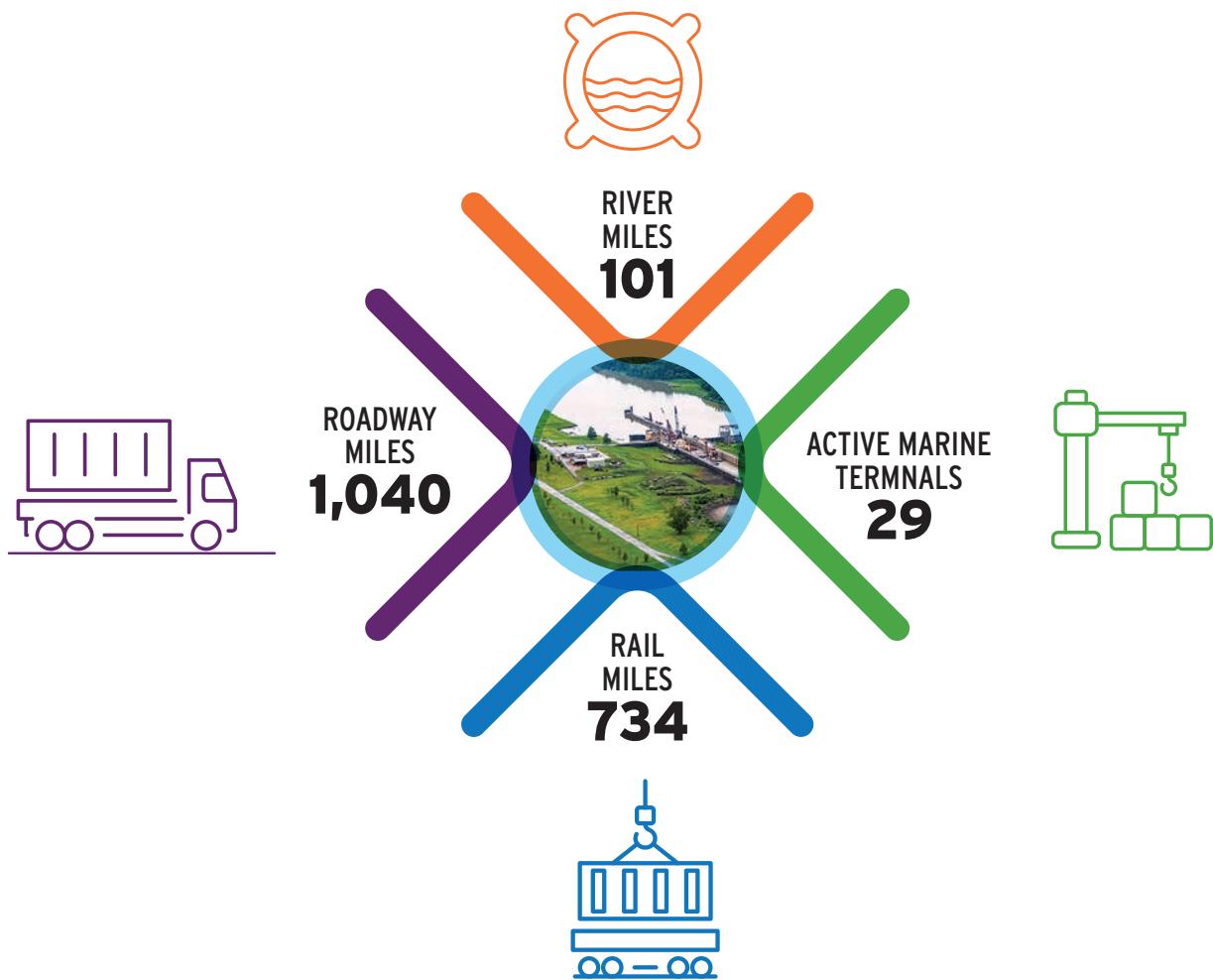
**HIRPD's enabling legislation outlines the following powers:**

- A.** Issue permits for the construction of waterway infrastructure in or within 40 feet of the Illinois River.
- B.** Prevent or remove obstructions, including the removal of wrecks.
- C.** To locate and establish dock lines and shore or harbor lines.
- D.** To acquire, own, construct, sell, lease, operate, and maintain port and harbor, water, and land terminal facilities. Likewise, allows the district to contract for the operation of the facilities previously mentioned and collect reasonable charges or fees for the use of those facilities. The fees collected must go toward the payment of any revenue bond issued by the district.
- E.** Enter in agreement with any airport for the use of airport facilities.
- F.** Enter into agreement with any other public agency of the state including other port districts as authorized by the Intergovernmental Agreement Cooperation Act.
- G.** Enter into agreements with other states of local governments of other states as authorized by any interstate compact
- H.** To enter into contracts dealing in any manner with the objects and purposes of this Act



## 03. TRANSPORTATION ASSETS

While HIRPD does not currently own or manage any assets or facilities, the Port District is rich in transportation facilities it can build on and leverage to implement its mission.



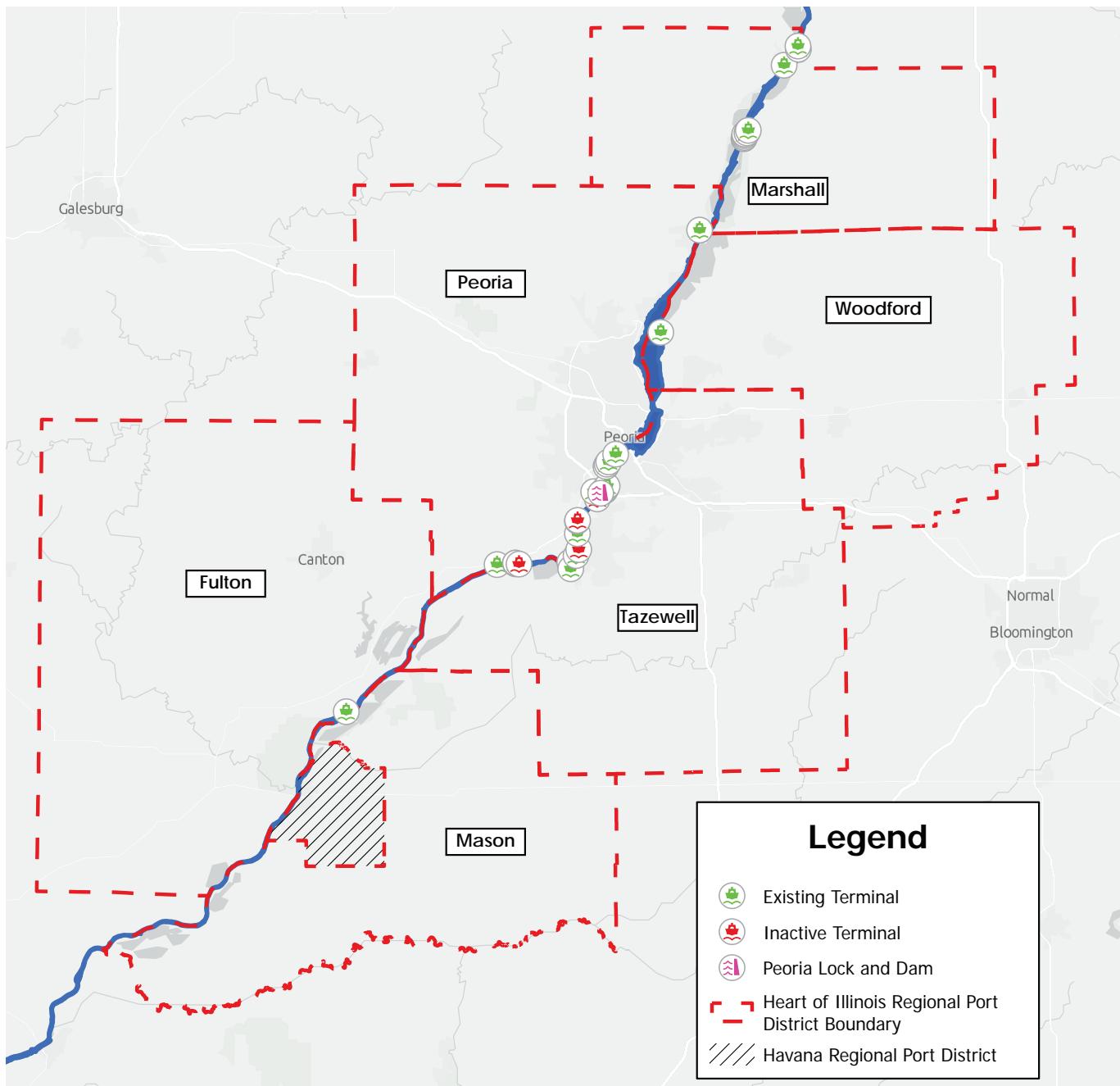
## WATERWAY ASSETS

The Illinois River is a navigable waterway that facilitates the movement of millions of tons of goods to, from, within, and through the port district each year. This activity is supported by 29 active terminal facilities and the Peoria Lock and Dam, along with an extensive network of road and railroad mileage connecting the river with inland freight shippers and receivers.

The Illinois River flows 101 river miles through the six counties that make up the port district. Apart from portions of Mason County, the port district has

access to both banks of the Illinois River. The Illinois River is part of U.S. Marine Highway 55, which is a program administered by the United States Maritime Administration that promotes the use of the marine highway system or encourages the use of the waterways as an alternative to landside transportation. Within the port district, there are also 28 active waterway terminals, six inactive terminals, and the Peoria Lock and Dam. Figure 2 shows the terminals located within HIRPD.

**Figure 2: MARINE TERMINALS WITHIN HIRPD**

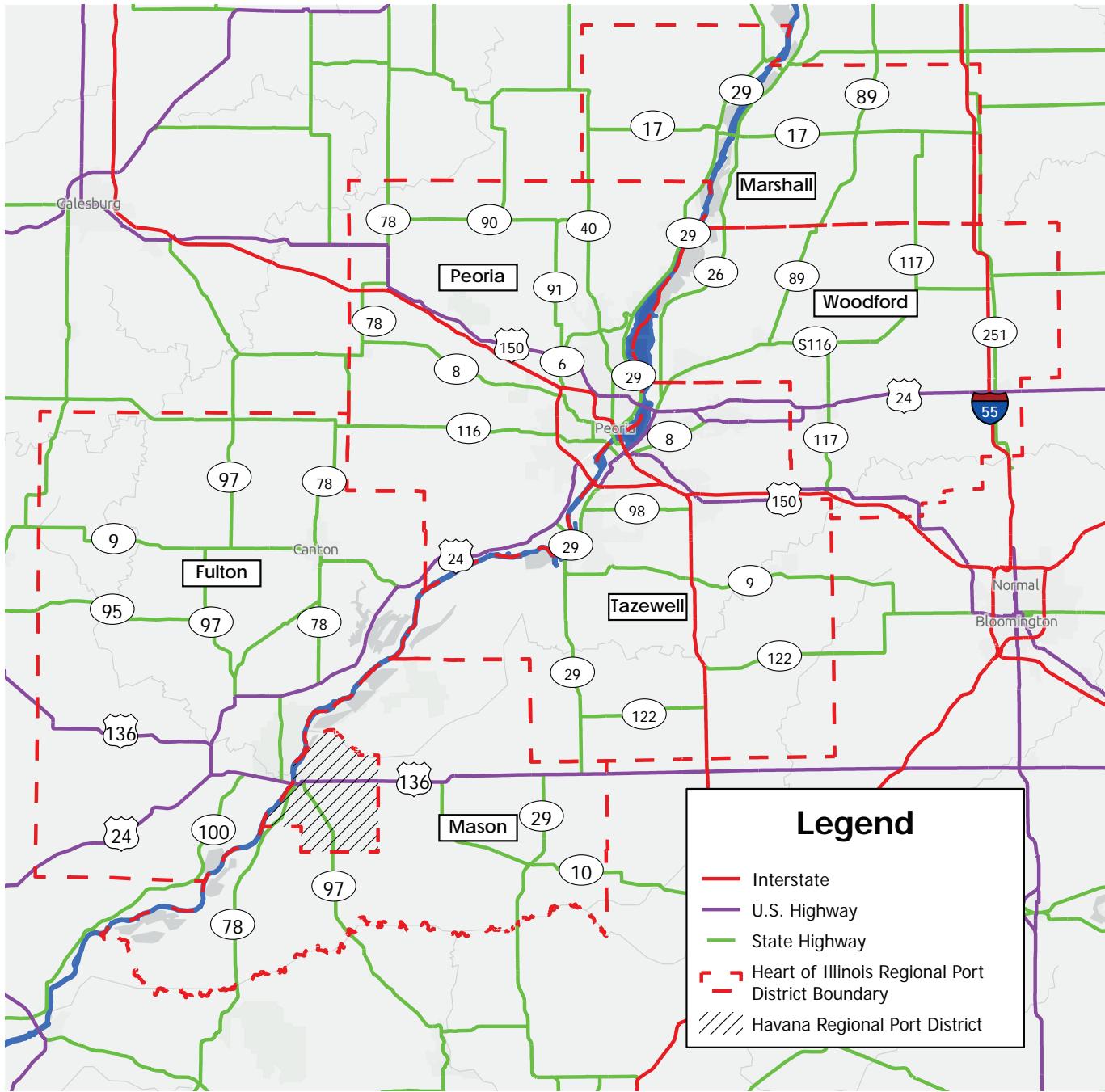


## ROADWAY ASSETS

The roadway network within the port district is just as crucial to the efficient movement of goods as the Illinois River is. This network is critical in ensuring that commodities can be effectively transported in and out of the river. The port district boasts a comprehensive network, which includes interstates, U.S. Highways, and

State Highways, as shown in Figure 3. These roads span a total of 1,040 miles across the port district. Most of these roadways fall under the jurisdiction of the State of Illinois. In addition, there are 1,105 miles of county highways within the port district.

**Figure 3: ROADWAY ASSETS WITHIN HIRPD**



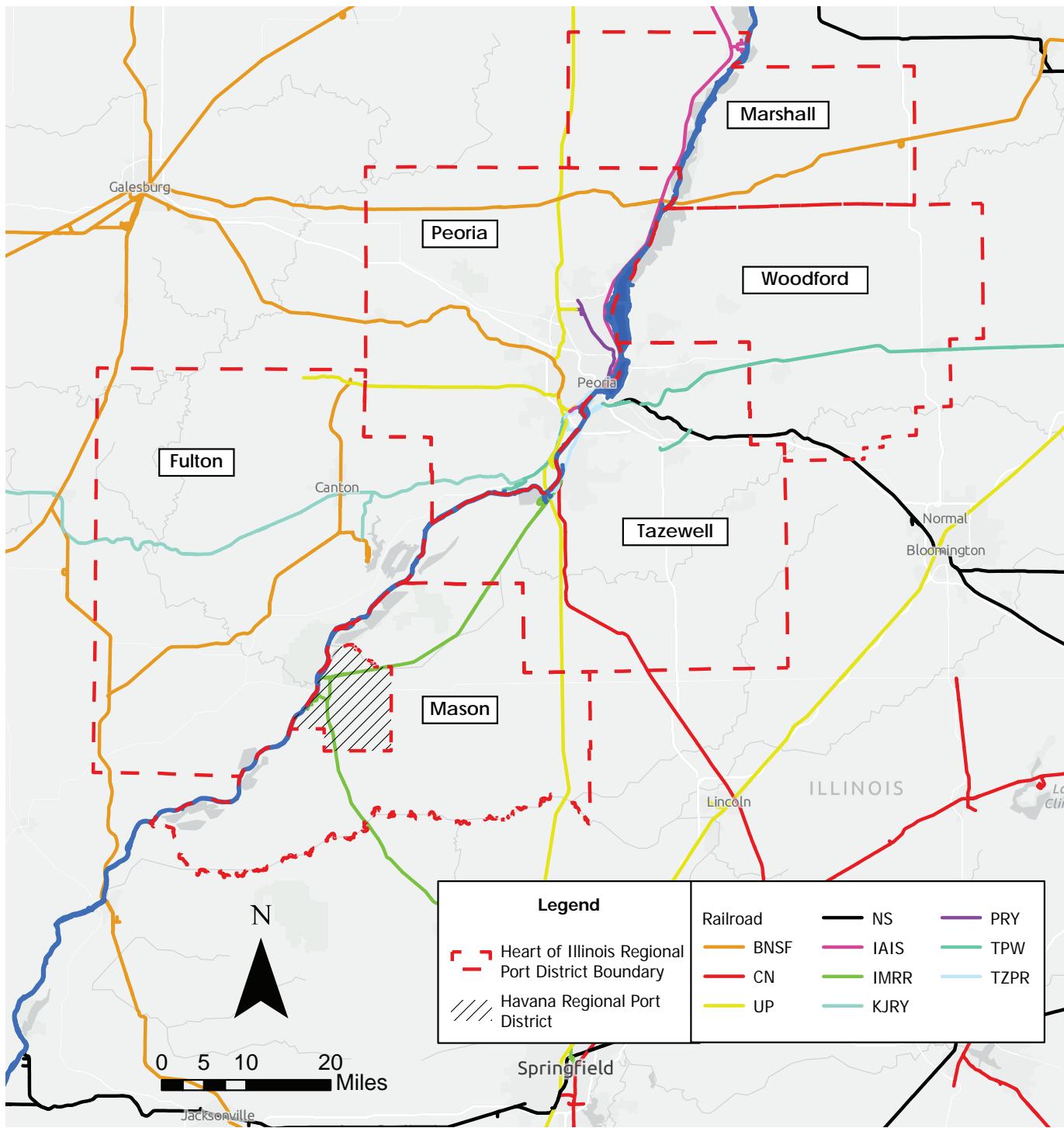
Source: WSP Analysis of IDOT Roadway Data

## FREIGHT RAILROAD ASSETS

There are a total of 10 freight railroads within the port district, including four class I railroads, one regional railroad, and five class III railroads, shown in Figure 4.

There are a total of 734 miles of rail that traverse HIRPD's boundaries. This rail network allows access to markets across the entire United States, Canada, and Mexico.

Figure 4: RAIL ASSETS OF HIRPD



Source: WSP Analysis of IDOT Rail Data



## 04. REGIONAL ECONOMY AND WATERBORNE TRADE

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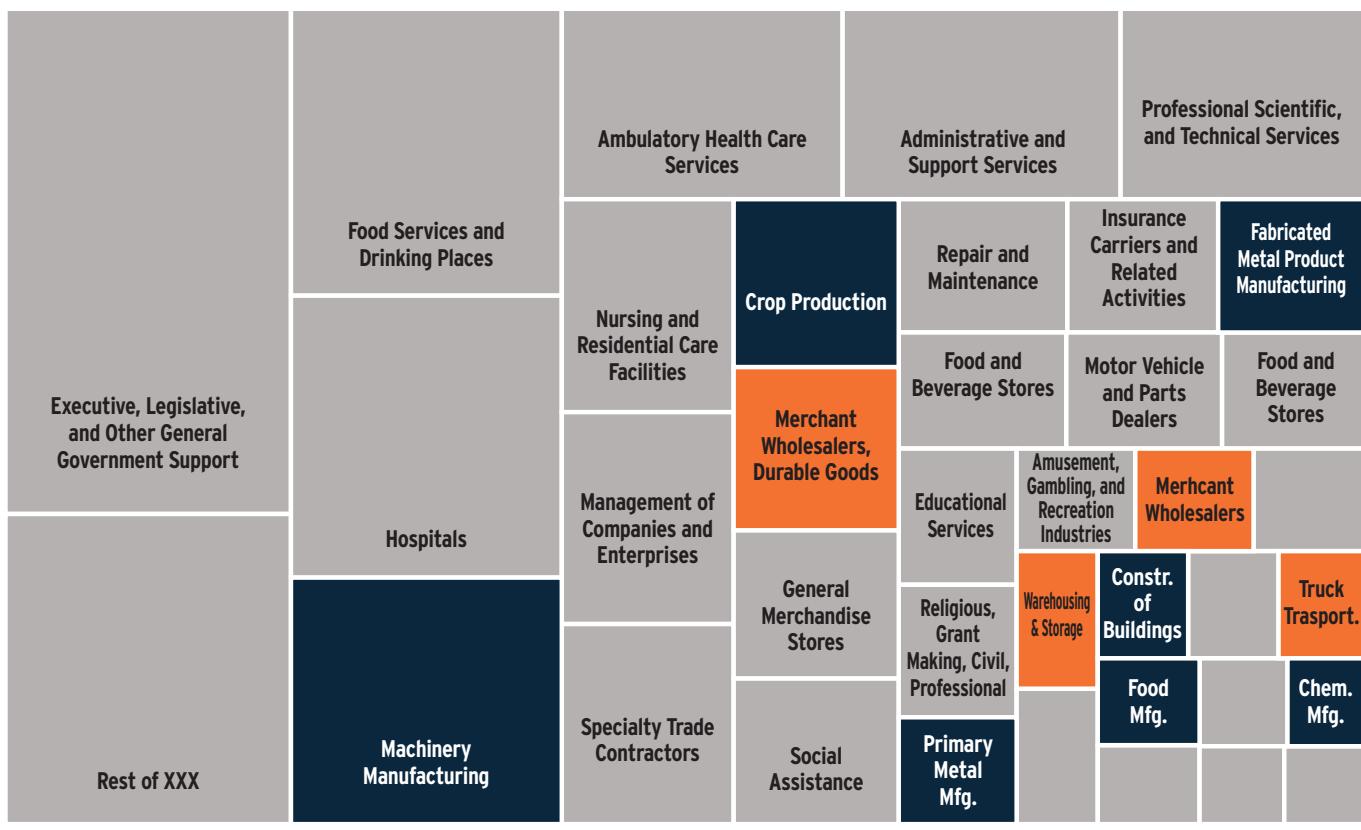
### HIRPD ECONOMY

Freight transportation is a service purchased by public agencies and private businesses to support their economic activity. A region's need for freight transportation services depends on its economy.

The HIRPD economy is diversified and many of its leading industries by employment can be considered "freight dependent" because they rely on the receipt of goods and materials as inputs to manufacturing activity,

or the shipment of products to local, regional, national, and global markets.

Key HIRPD freight-dependent industries include machinery manufacturing, crop production, food and metals manufacturing, chemicals, and construction. Many of these industries currently—or could potentially—utilize water to meet their transportation needs (Figure 5).

**Figure 5: HIRPD TOP SECTORS OF EMPLOYMENT**

Freight Dependent      Logistics      Population Serving

Source: *Implan, Moddy's Economy*



## CURRENT AND FUTURE HIRPD WATERWAY TRAFFIC

**2050 OUTBOUND  
WATERBORNE  
TONNAGE = 6.92  
MILLION TONS 67%**

**2050 INBOUND  
WATERBORNE  
TONNAGE = 3.37  
MILLION TONS 33%**

**STRONGEST GROWTH  
IN AGRICULTURAL  
PRODUCTS, FERTILIZERS,  
CHEMICALS, AND IRON  
AND STEEL PRODUCTS**

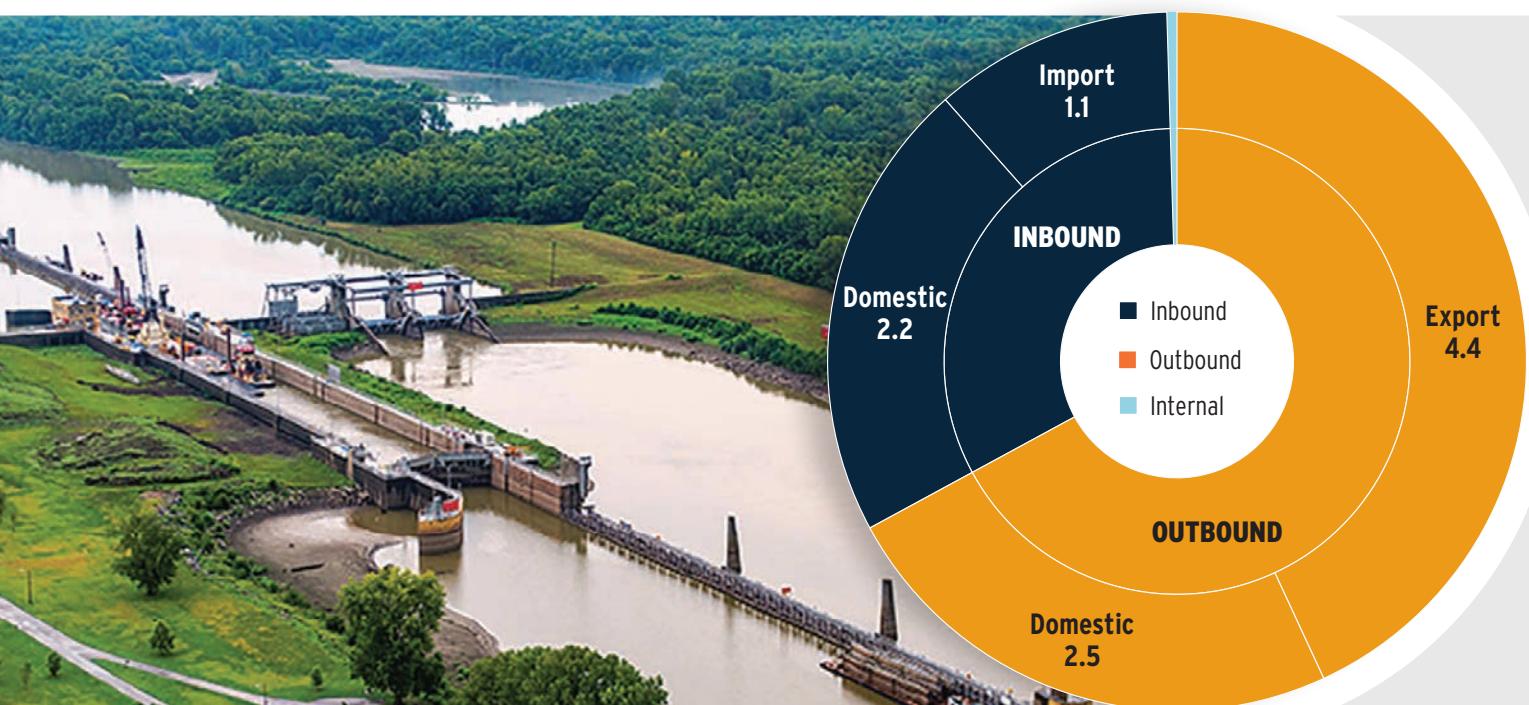
Some of the HIRPD industries highlighted above utilize the region's marine terminals and waterways. In 2021, based on Illinois DOT Transearch data, HIRPD counties shipped over 6.0 million tons of freight and received almost 1.8 million tons of freight (Figure 6). The leading tonnage commodities outbound included grain, other agricultural products, chemicals, gravel and sand, and iron and steel products. The leading tonnage commodities inbound included fertilizers and chemicals, along with gravel and sand.

Looking ahead to 2050, outbound tonnage is expected to account for approximately 6.9 million tons or 67% of marine tonnage to and from the HIRPD, while inbound tonnage is expected to account for 3.4 million tons or about 33% of marine tonnage to and from the HIRPD.

Grouped by commodity, grains and oilseeds will continue to be the dominant commodities by tonnage, but 2050 volumes are projected to be only slightly higher than current volumes. Most of the future growth in water tonnage is expected to come from agricultural products, fertilizers, chemicals, and iron and steel products

Approximately 64 percent of all outbound tonnage is projected to reach international markets as export goods. Therefore, access to the oceans and seas is necessary to serve the majority of the international market. International trade is projected to account for a lower 33 percent of inbound tonnage. It is important to note these projections are based on a long-term world economic model, and do not reflect near-term impacts of shifts in national trade policies or tariffs.

**Figure 6: PROJECTED 2050 HIRPD WATERBORNE TONNAGE (MILLIONS OF TONS)**

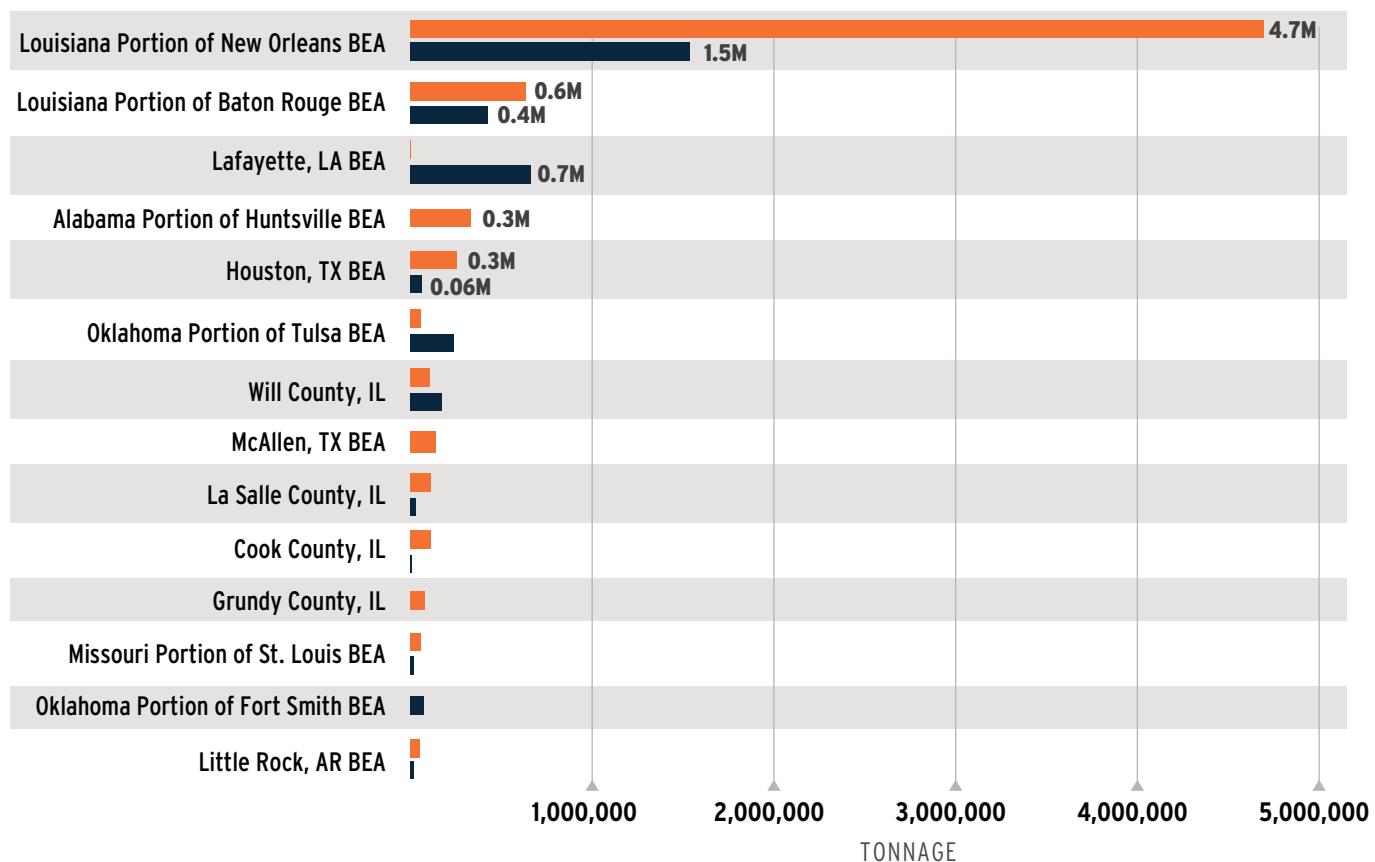


A look at the expected markets for HIRPD marine traffic shows the destination of both inbound and outbound tons as expected in 2050 (see Figure 7). The Bureau of Economic Analysis (BEA) defined the region of New Orleans, Louisiana, as by far the largest market for both outbound and inbound trade. For outbound marine traffic, 4.69 million tons (or 68% of all outbound from the HIRPD) go to New Orleans. For inbound traffic, that value is 1.54 million tons or 47% of all tonnage coming from New Orleans. Combined with the other Louisiana locations of Baton Rouge and Lafayette, the state accounts for around 77% and 78% of all outbound and inbound trade, respectively. Louisiana stands out as a huge target market reflecting the general trend of southbound travel from Chicago to New Orleans along the river. New Orleans offers access to the Gulf of Mexico and the international market.

**NEW ORLEANS IS THE BIGGEST  
WATERWAY TRADING PARTNER WITH  
HIRPD AND IS EXPECTED TO REMAIN SO.**

Apart from Louisiana state, Huntsville, Alabama and Houston, Texas are the next largest markets for outbound marine traffic from the Heart of Illinois Regional Port District. For both of these locations, marine traffic makes up 95% to 100% of all outbound traffic originating from the port district. Given the tonnage capacity of the waterway, these markets stand out as targets for any expansion of marine-specific freight traffic from the HIRPD. For both of these markets, there is little to no inbound marine traffic traveling northbound. There is potential to move outbound (domestic and international exports) to these locations.

**Figure 7: PROJECTED 2050 TOP MARKETS FOR HIRPD MARINE TRAFFIC BY BUSINESS ECONOMIC AREA (BEA)**



Source: Analysis of IDOT Transearch Data

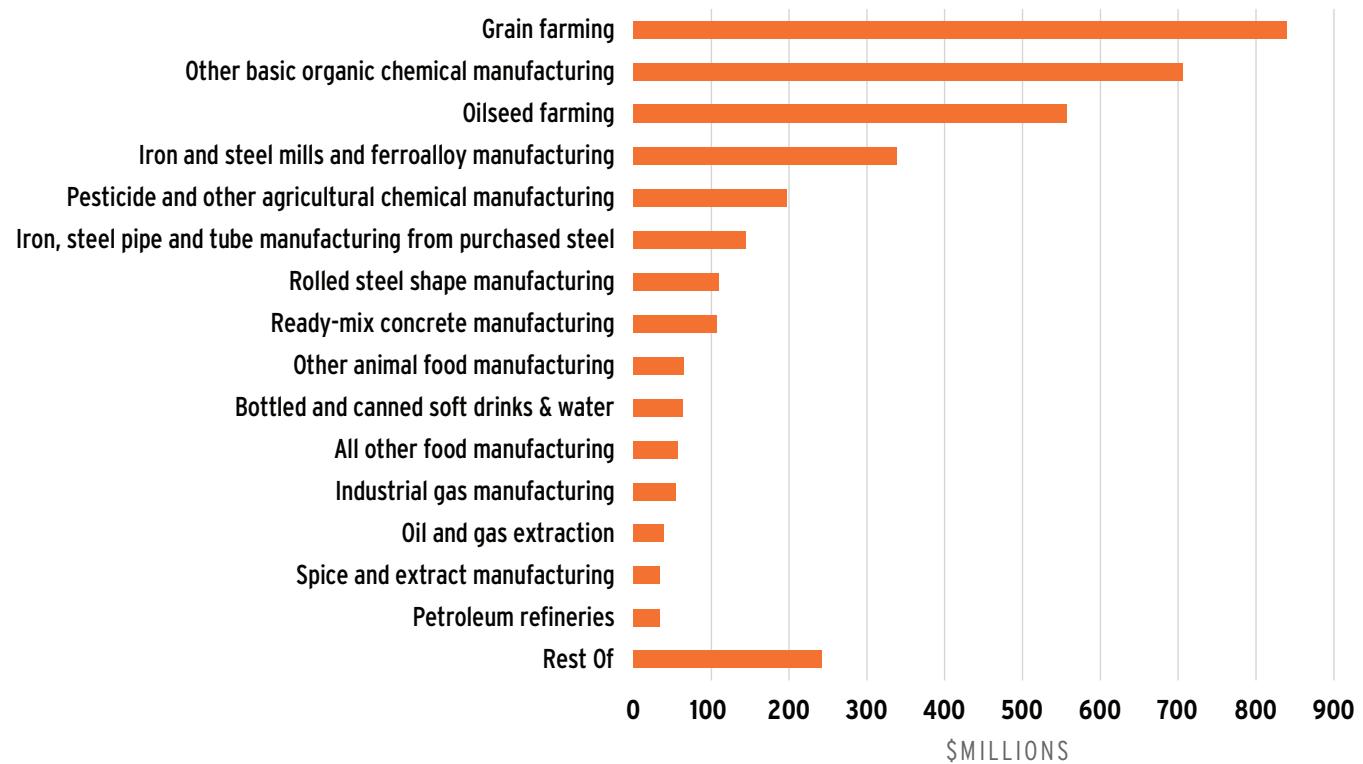
## GROWTH IN WATER-DEPENDENT INDUSTRIES

Many HIRPD industries depend heavily on freight movement for inbound goods and/or outbound products. Looking ahead to 2050, the regional industries expected to depend most on waterway movement in the future (by value of goods) are shown in Figure 8.

The importance of agriculture, specifically, to the waterway freight economy of the HIRPD is shown in Figure 8 through the large amount of goods classified as “Grain Farming”, “Other Basic Organic Chemical Manufacturing”, and “Oilseed Farming”.

These are the top three industries expected to be responsible for producing potential waterborne commodities in the HIRPD in 2050. They are expected to produce approximately \$840 million, \$705 million, and \$556 million, respectively, in waterway freight goods in the HIRPD alone. This represents approximately 60% of the potential value of all waterway goods in the Heart of Illinois Regional Port District by 2050. Other highly significant water-using industries should include chemicals, steel and metals, building materials, and fuels.

**Figure 8: INDUSTRIES PROJECTED TO GENERATE GOODS SHIPPED BY WATER THROUGH HIRPD (2050 VALUE IN \$MILLIONS)**

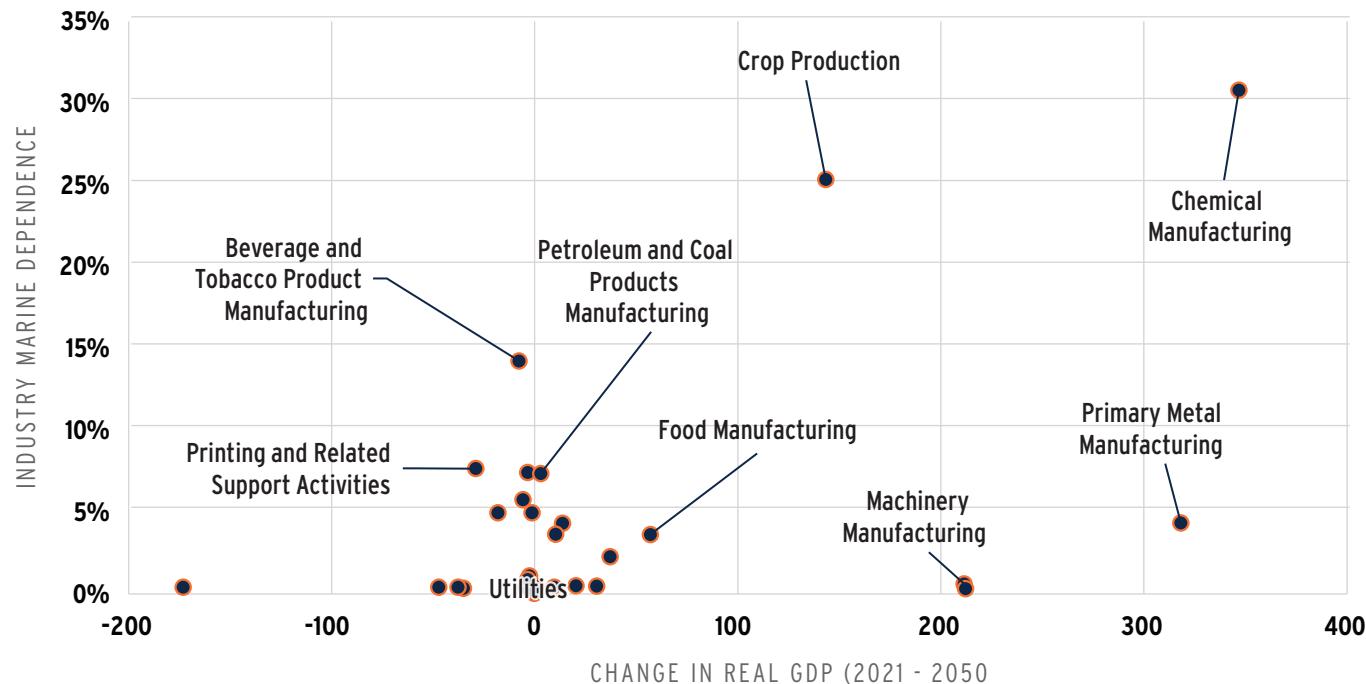


Source: Moody's Economy

While potential value represents the extent to which the HIRPD can utilize its waterway, the intersection of marine use and increased productivity is our focus. A large change in real GDP and high marine dependence are indicators of feasible and likely sectors for marine freight growth.

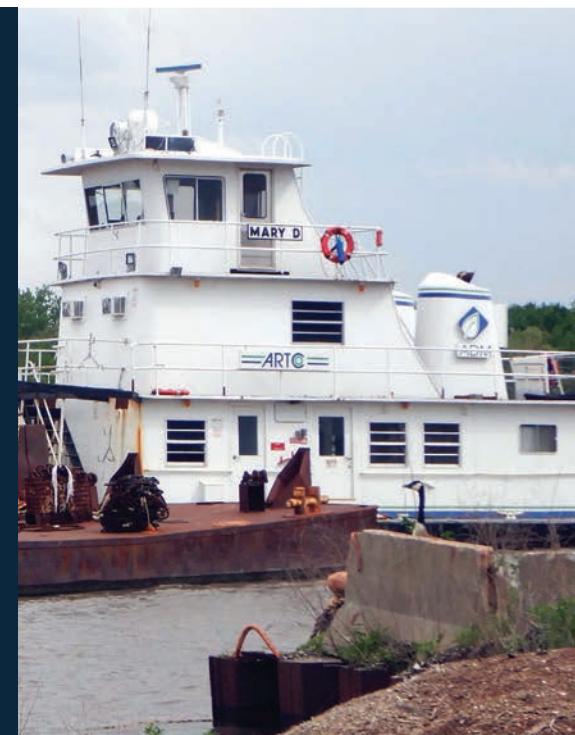
Figure 9 graphs change in real GDP on the x-axis and marine dependence on the y-axis (both by industry). Sectors combining the highest growth and highest water utilization include chemical manufacturing and crop production; sectors with high growth but somewhat lower water utilization include metal manufacturing and machinery manufacturing.

**Figure 9: GROWTH SIGNALS FOR THE MARINE ECONOMY**



Source: Implan, Moody's Economy

The projected economic profile highlights the freight-dependent industries that are expected to play a significant role for marine traffic in the HIRPD region: Machinery Manufacturing, Chemical Manufacturing, Fabricated Metal Manufacturing, Primary Metal Manufacturing, and Crop Production. While these are all key to the current economy and freight-dependent, the focus on marine travel further identifies the industries with the potential to use the waterway.





# 05. MARKET-DRIVEN PORT DEVELOPMENT OPPORTUNITIES

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HIRPD's mission is to develop and support the creation of common user facilities that provide new economic value for the region and its industries and residents, without competing with or attracting business from private marine terminals.

The Plan considered a range of potential HIRPD port development opportunities to accomplish this, including: Container on Barge services; movement of Agricultural Commodities; and movement of Non-Agricultural Commodities.

## CONTAINER-ON-BARGE POTENTIAL

When considering opportunities for expanded freight traffic along the waterways, leading to and from the HIRPD, there are many questions. At an initial screening level, the most important are:

- Is the commodity containerizable?
- Is the commodity moving in sufficient quantities to support regular container service?
- Is the commodity moving between on-water/near-water origins and destinations, and at a sufficient distance for marine transportation economies-of-scale to be price competitive with trucking and rail?

Beyond these basic screening questions, there are other deep-drill questions, principal among them:

- Are the transit times by water acceptable, given that marine service is much slower (17 days by water versus 13 hours by truck from Peoria to New Orleans)?
- Can the commodity move accept a higher degree of unreliability, given periodic river closures due to water levels or other causes?

- Are there opportunities for two-way flows of loaded containers, and if not, how do shippers get empty containers to load with their products, and do they have to pay double the price to cover the loaded move and the empty return? (Importantly, as the percentage of “backhaul” loads increases, the distance at which containerization becomes price-competitive decreases.)
- Do suitable marine terminal facilities exist, and if not can they be provided easily?
- Does the service require special technology (such as new purpose-built vessels) that involves substantial cost, time to market, and/or risk?
- Is the commodity currently being served by a truck or rail carrier with pricing power to undercut and eliminate any expected price advantage by barge, negating water’s strongest competitive advantage and leaving water at a disadvantage in every other respect?
- And possibly most important, but often not addressed: can transportation companies make a sufficiently attractive profit from providing – and sustaining – the service?

There have been several studies of container-on-barge operations on the Illinois River, most notably the USDOT Maritime Administration’s “M-55” study, which found the best opportunity for containerization would be from a new-build vessel serving a network of ports and terminals. While some work is underway

to advance this concept, many of the required system-level regulatory approvals, investments, and business use commitments have not yet been secured – so for the near-term it is more advisable to assume the use of conventional, readily-available technology (such as deck barges, conventional fixed or mobile cranes, and a limited amount of container storage area near the wharf). From this starting point, we then address the basic screening questions. The deep-drill questions noted above tend to be very specific to the commodity, origin-destination, and market pair – and especially the potential for loaded backhauls – and become relevant only if the screening questions can be answered positively.

For this Plan, a comprehensive technical analysis of container-on-barge potential was undertaken, not only for the HIRPD region, but also for the larger ten county Illinois Waterway Port Commission area. The results did not identify a clear opportunity for large-scale container handling for ports in the IWPC region based on high-level market factors, and none of the stakeholders interviewed for this study expressed interest in container on barge service. However, it is possible that containers could make sense in limited and specific applications in the future, and it reasonable to identify HIRPD or and IWPC facilities that could be made ‘container capable’ at minimal levels of investment (e.g., adding new shoreside lift equipment to a terminal that already provides dock and paved storage space), should the market opportunity arise.



## AGRICULTURAL COMMODITIES

Agriculture Demand drives the majority of existing demand for river transportation. Of the more than 6 million tons of cargo handled by terminals on the Illinois River in the HOI port district in 2019, more than 75% are associated directly with the agricultural segment of the economy. The latest agricultural census counted 7,471.<sup>1</sup> Farmers in the HIRPD region. Businesses related to agriculture multiply this impact. Approximately 76% of the land in the HIRPD region, or 1,750,588 acres, is dedicated to agricultural production.

### 76% OF HIRPD LAND IS DEDICATED TO AGRICULTURE

#### SOYBEANS

41.9 million bushels (bu) of Soybeans were produced in HIRPD counties in 2022<sup>2</sup>. 36% of farm acreage is devoted to soybeans. Yields currently average approximately 66 bushels per acre. About half of these beans are currently transported to river terminals, where they are loaded onto barges and shipped (primarily to New Orleans) for export. In addition, beans produced outside the study area are also drawn to HIRPD river terminals. Nine terminals handle soybeans and corn in HIRPD. Other beans are sent to crushing plants outside the HIRPD. These plants produce soybean oil, which is used in a variety of products. They also produce soybean meal, which is used in animal feed.

In response to the increasing domestic demand for biodiesel, renewable diesel, and synthetic aviation fuel<sup>3</sup> there is a corresponding increase in demand for soybean crush capacity. Nationally, there have been announcements of plans for 13 new plants and 10 significant plant expansions, adding about 750 million bushels per year in crush capacity.<sup>4</sup> Two major facilities are nearby counties: and the Incobrasa soybean crush plant in Gillman, IL, about 90 miles west, and the Marquis soybean crush facility at Hennepin, IL, to the

### NINE SOYBEAN TERMINALS WITHIN HIRPD



Source: Illinois Marine Transportation System Plan and Economic Impact Analysis [20210317-IDOT-IMTS Plan-Web \(MAR 2021\).pdf](#)



north of HIRPD. The Gillman facility broke ground in September 2023 and is a \$250 million expansion of an existing plant. The facility's capacity will be expanded from 43 million to 83 million bushels annually.<sup>5</sup> The Hennepin facility is scheduled to open in 2026 and is expected to consume 80 million bushels annually, drawn from a 75-mile radius of the facility. The enterprise also plans to load 20 barges of soybean meal each week, or about 1.5 million tons per year, onto the Illinois River.<sup>6</sup> Marquis received a 2024 PIDP grant in the amount of \$38 million to develop a barge dock for outbound product. Both facilities will absorb beans that might otherwise move on the river for export through HIRPD facilities. As a result, this is not a target opportunity for HIRPD port development.

1 2017 Census of Agriculture

2 Illinois Soybean County Estimates, USDA, February, 2023

3 <https://soygrowers.com/news-releases/economists-angle-renewable-diesel-explained/>

4 <https://soygrowers.com/news-releases/economists-angle-soybean-processing-growth-is-crushing-it/>

5 <https://www.agriculturedive.com/news/soy-bean-processor-Incobrasa-Industries-breaks-ground-on-250m-gillman-illinois-plant/694489/>

6 <https://www.feednavigator.com/Article/2023/07/07/Marquis-secures-permits-for-Illinois-soy-crush-project>

7 Recorded interview with Allison Prestegaard. <https://brownfieldagnews.com/news/illinois-ethanol-plant-to-break-ground-on-new-soy-crush-facility/>

## CORN

155 million bushels (bu) of corn were produced in the HIRPD counties in 2022<sup>8</sup>. 42% of farm acreage is devoted to corn. Yields currently average approximately 224 bushels per acre. The three primary uses of this corn are for alcohol production, livestock feed, and export.

The HIRPD is home to two large alcohol-producing plants, BioUrja located in Peoria and Alto and Pekin. These plants produce industrial alcohol, fuel-grade alcohol, and corn oil. They also produce Dried Distillers' Grains (DDGs), which are used in animal feed. These plants consume a large volume of corn and “make the local market” for corn in the area. Inbound corn from the HIRPD area is moved by truck to these facilities. Outbound products are distributed by all three modes: truck, water, and rail. ADM sold its 135 million-gallon capacity ethanol production complex in Peoria, Illinois, to the BioUrja Group in 2021.<sup>9</sup>

In 2015, Pacific Ethanol, Inc. merged with Aventine Renewable Energy Holdings, Inc., thereby acquiring Aventine’s 100-million-gallon plant in Pekin.<sup>10</sup> In 2017, Pacific Ethanol purchased Illinois Corn Processing’s 90 million-gallon alcohol production plant.<sup>11</sup> In 2020, Pacific Ethanol changed its name to Alto and its business focus from fuels to specialty alcohols and essential ingredients used in consumer products.<sup>12</sup>

A further portion of the corn (and soybean meal) is used locally to feed livestock. The most recent census of agriculture counted over 350,000 farm animals in the region, primarily cattle and pigs.<sup>13</sup> Interviews suggest that this use is likely in decline due to increasingly stringent environmental regulations.

A third market for corn is export, which is served from the river terminals where it is loaded onto barges and primarily moves to New Orleans for export. About a million tons of corn are loaded in HIRPD River terminals annually.<sup>14</sup> Railroads compete for this business, particularly when river transportation becomes unreliable.

Overall, current private infrastructure for moving corn is robust, and given modest expected growth in demand, this is not a target opportunity for HIRPD port development.

### TWO ALCOHOL TERMINALS WITHIN HIRPD



<sup>8</sup> Illinois Corn County Estimates, USDA, February, 2023

<sup>9</sup> [ADM News Release](https://ir.altoingredients.com/news-events/press-releases/detail/462/pacific-ethanol-completes-aventine-merger)

<sup>10</sup> <https://ir.altoingredients.com/news-events/press-releases/detail/462/pacific-ethanol-completes-aventine-merger>

<sup>11</sup> <https://ir.altoingredients.com/news-events/press-releases/detail/500/pacific-ethanol-to-acquire-illinois-corn-processing>

<sup>12</sup> <https://ir.altoingredients.com/news-events/press-releases/detail/551/pacific-ethanol-announces-strategic-realignment-to-focus-on>

<sup>13</sup> 2017 Census of Agriculture

<sup>14</sup> 2019 Corps Data corroborated by Transearch Data

## FERTILIZER

The farm economy relies on several inputs to the production process, including seeds, chemicals, and fertilizers. Of these commodities, about a million tons of fertilizer are handled at six river terminals in HIRPD annually. From the river, it is delivered by truck to local grain elevators or directly to farms. While growth is expected in demand for fertilizer by water, research indicates it is likely to be adequately met by existing facilities.

### SIX FERTILIZER TERMINALS WITHIN HIRPD



## OTHER COMMODITIES

### AGGREGATES

Aggregates are typically transported by barge to nearby locations, mainly along the Illinois River. Due to the heavyweight and relatively low value per ton, aggregates normally utilize low-cost barge transport, wherever possible. At least half a million tons move in, out, and within the region by barge annually via six terminals in the HIRPD region.

### SIX AGGREGATE TERMINALS WITHIN HIRPD



The recently-completed Port of Havana Master Plan identified potential markets for road salt, stone/riprap, and sand, along with a limited amount of dry fertilizer, which could support the movement of 26 to 73 barge loads per year. Also, the City of Henry's Master Plan may include a barge service with aggregates moving from the Port of Henry to terminals in the Chicago area. Given the level of demand, the availability of current HIRPD facilities, and potential future development at other ports, this is not seen as a target opportunity for HIRPD.

## STEEL

HIRPD is home to large industries like Caterpillar and Komatsu that utilize steel in manufacturing, and as a result has developed a large ecosystem of related industries that receive metals and either store or process them into shapes prior to their use by manufacturers. In the past, HIRPD received large volumes of steel by barge, mainly imported steel from the Gulf. Several regional terminals previously served this product but no longer do so. Available information suggest that steel is received entirely by land, mostly by truck with some rail, from midwestern locations.

### NO CURRENT STEEL TERMINALS WITHIN HIRPD



The lack of access to a specialized steel-oriented barge terminal in HIRPD prevents practical local access not only to imported steel but also to domestic steel mills on the waterway system. Barge access could increase the regional competitiveness of steel produced in the Nucor Yamato mill (Blytheville, AR), the Nucor Tuscaloosa mill (Tuscaloosa, AL), and the Cliffs mill (Burn Harbor, IN). Prospectively, US Steel is building a large (\$3 billion) “next generation” steel mill in Osceola, AR, on the Mississippi River. That mill is expected to produce plate steel, which, if barge access were available, would likely be competitive in the central Illinois region.

Research and interviews suggested:

- There is no multi-user steel transload center in central Illinois and a steel handling port would fill a market void. Some midstream suppliers are enthusiastic about the potential to receive steel and ship scrap by water, although others are adequately served by existing modal services. Water must be seen as a supplement to – not a replacement for – other surface transportation modes, and the integration of water, truck, and rail modes is seen as essential. Ideally such a facility would offer both open and covered storage, along with covered space for storage and value-added processing of products.

▪ End users largely dictate the sourcing and flow of steel products, and large users – like Caterpillar or Komatsu – utilize many different combinations of raw material sources, fabrication locations, assembly locations, and transportation connections and modes. End users rely on, and will continue to rely on, truck and rail services, and none contacted for this study would commit for or against a port facility. However, the logic of supply chains dictates that end users seek and use transportation modes and facilities that offer attractive performance – the right combination of cost, speed, reliability, security, and cargo visibility in transit. If the performance characteristics work, the service is likely to attract users.

- There may be market interest in connecting inland midwest producers of iron ores, which are used in steel manufacturing, with port facilities via rail. The HIRPD region, by virtue of its extensive Class 1 and shortline rail network, would be an excellent location for such an operation, which would be complementary at a steel and scrap handling port.
- Steel mills located along the inland waterways could benefit from, and may have interest in, ports that could receive their products and in turn supply them with scrap, ores, and other materials used in producing steel.



## MARKET RECOMMENDATIONS

### #1 – SUPPORT EXISTING PRIVATE FACILITIES

The 29 active, private marine terminals in the study area appear to be meeting the current demand for terminal services, and appear positioned to accommodate future opportunities. However, many of the existing terminals can be characterized as aging infrastructure, and could benefit from upgrades to physical facilities and/or equipment. For corn terminals and related facilities there will be a constant need to reinvestment to keep the facilities competitive. For bean terminals, once the wave of new crushing plants modifies/reduces the share of Illinois river beans there will be a need for upgraded remaining facilities.

One of the opportunities available to HIRPD as an organization is to support the vitality of the port district's private marine terminals, and one of the ways it could fulfill such a mission is through assistance in securing Federal discretionary transportation grants, transportation access improvements, waterway management and environment, workforce and economic development support, advocacy at the state and regional level, and possibly other areas. Such activities could be initiated quickly and at relatively low cost to HIRPD, and will be explored in the next phase of the study.

### #2 – DEVELOP OR PARTNER ON NEW FACILITIES TO MEET EMERGING DEMAND

Steel, which is used extensively by regional manufacturers was historically moved by barge into the port district but is not currently handled by water, to the best of our knowledge. There may be an opportunity to reintroduce commodity handling of steel products inbound by water, scrap materials outbound by water as feedstock to mills, and transloading of iron ore from rail to barge to move outbound as feedstock to mills.

New agriculture-focused terminals do not appear warranted, but HIRPD could potentially partner in refurbishing and redeveloping agricultural infrastructure. No stakeholders interviewed for this Plan indicated a current or pressing need for replacement capacity, but as existing facilities age, private operators will face increasingly expensive choices about upgrading or relocating.





# 06. POTENTIAL HIRPD INVESTMENT AND PARTNERSHIP

## STEEL AND METALS FACILITY

The Market Analysis findings suggest that HIRPD has the opportunity to actively and strategically focus investment and development on the handling of steel, scrap, and iron ore as new waterborne commodities for the region. One model for such a facility is the Stanley L. Reeble Dock and Industrial Park at Kaskaskia River mile 18 is a multi-modal river, rail and road facility for steel, general cargo and bulk products. The terminal includes a 50-ton overhead electric crane and a 30,000 sq. ft. temperature and humidity-controlled warehouse. Barge inbound handling includes steel, fertilizer and palletized goods. Outbound product loading consists of coal and slag. The Material Works (TMW) operates a steel processing complex and Gateway FS operates a fertilizer distribution terminal. This terminal can easily handle containers should the need arise.

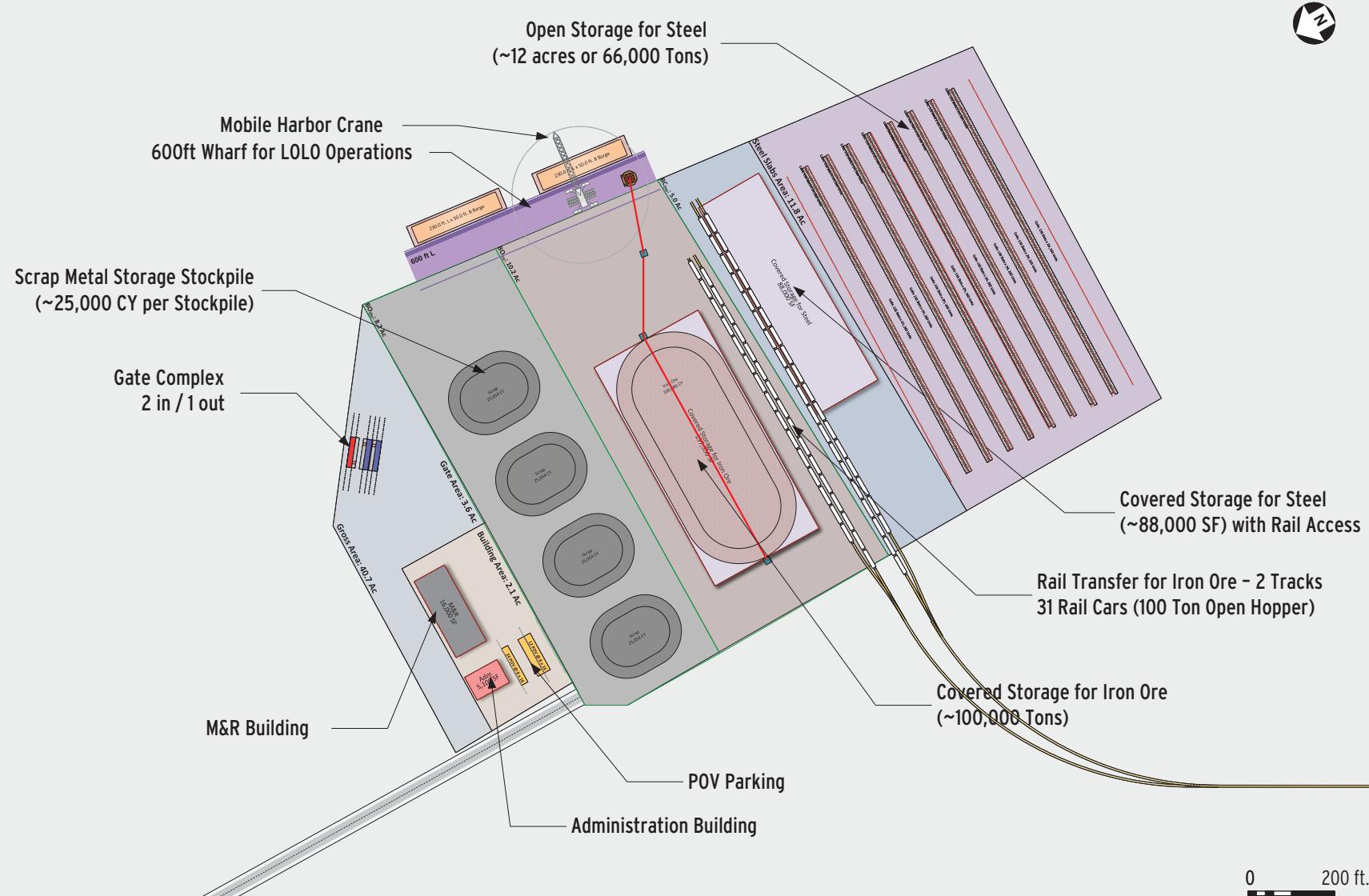
Based on the economic conditions and the market analysis of the HIRPD region, site development profiles were created. These site developments showcase what an HIRPD terminal could look like in the future.

The port layouts are modular in nature—different functions have specific minimum requirements for acreage, configuration, alignment, and relationship to barge, rail, and truck; these functions, drawn as shapes, can be scaled up to a larger size, moved in relation to other modules, and manipulated to fit specific site constraints.

**Figure 10. Example of Barge-Served Steel Plant at Kaskaskia**

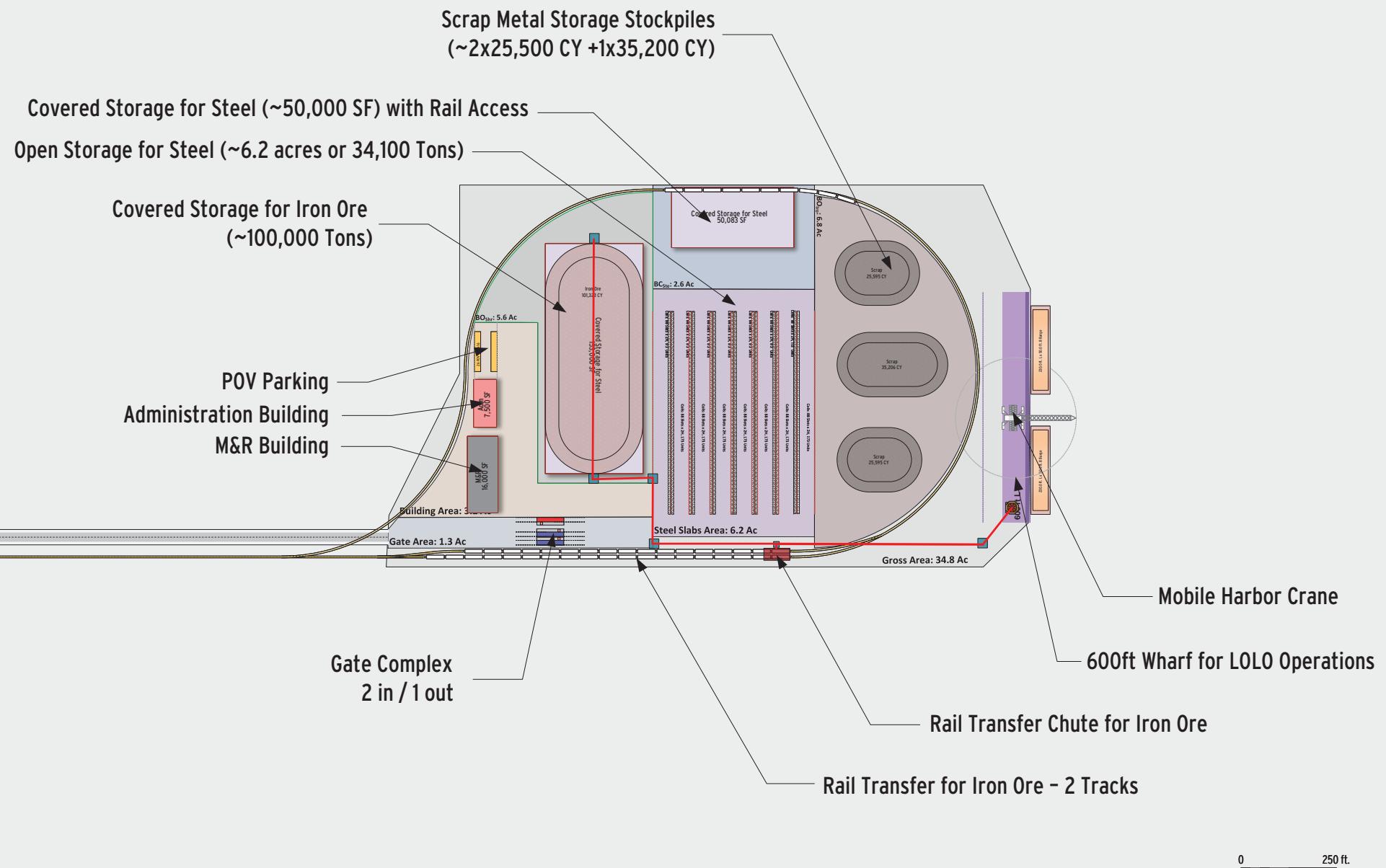


# “SMALL” ILLUSTRATIVE DESIGN CONCEPT



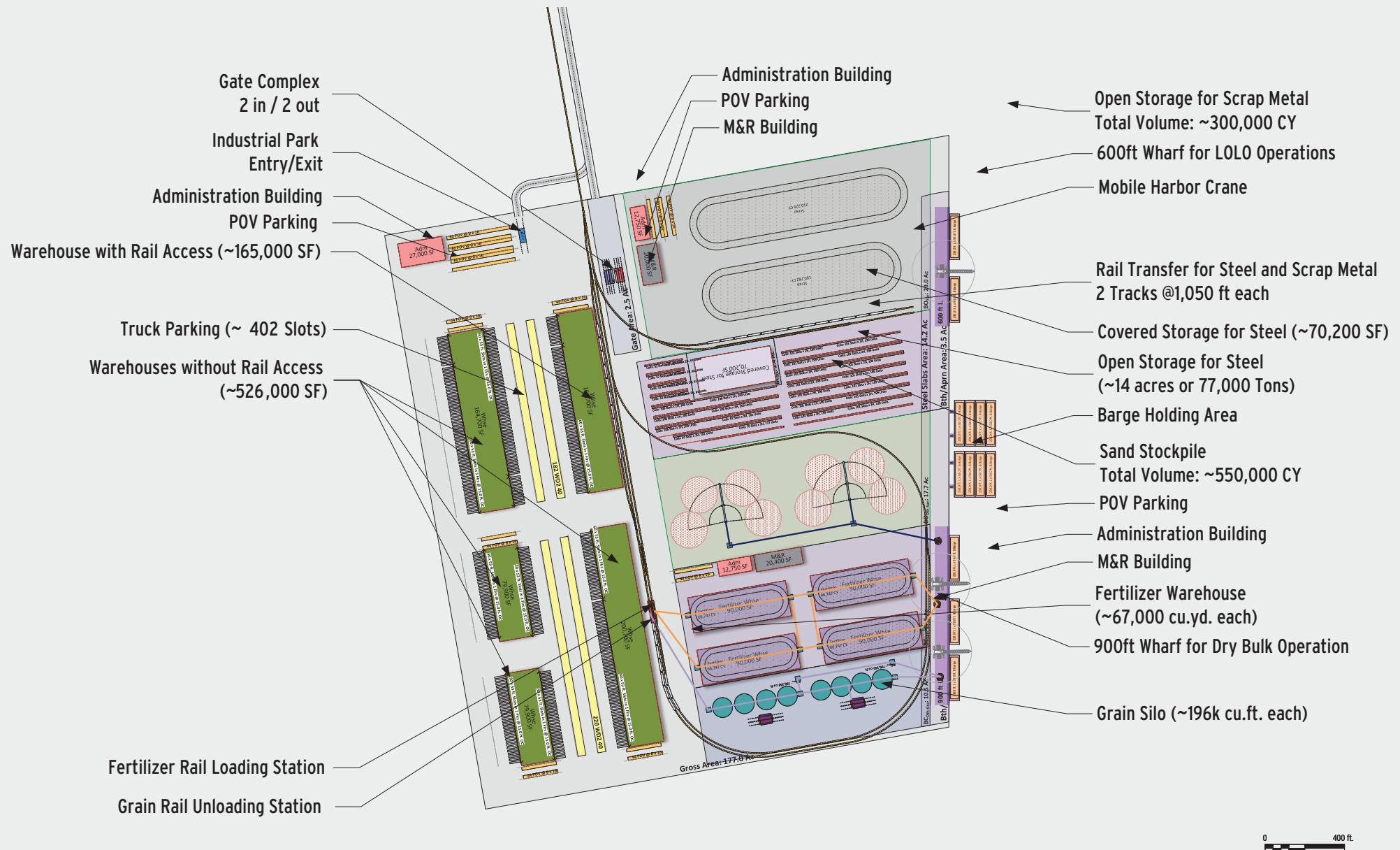
Source: WSP

# “MEDIUM” ILLUSTRATIVE DESIGN CONCEPT



Source: WSP

# “LARGE” ILLUSTRATIVE DESIGN CONCEPT



Source: WSP

## REGIONAL PARTNERSHIP

HIRPD can exercise its technical and financial authorities anywhere within its boundaries. Any site can be developed as long as it's consistent with enabling legislation. When examining the legislation and through the planning process, three avenues were identified to exercise its authority:

- Property acquisition and development
  - » Main Functions: Issue Bonds and Seek Grants
- Bond financing support for private or public/private projects
  - » Main Functions: Act as "Bankers" for projects generating revenue streams and issue bonds for projects
- Regional technical assistance and planning coordination
  - » Main Functions: Provide technical resources and assistance to regional governments, private terminals, and communities

Within the port district, there are a total of 35 marine terminals, 29 of which appear active and 6 inactive. Under its enabling legislation, and acting as a regional development partner, HIRPD could utilize its powers at or around any of these facilities – or, for that matter, for any non-waterfront sites or uses within its six-county region whose purposes are consistent with HIRPD's mission. In other words, HIRPD's focus is not and should not be limited to consideration of a steel and metals facility – rather it should be open to all opportunities within the region, and ready to serve as a partner in regional freight movement and economic development for other public agencies and private industries.

A number of regional development opportunities identified or under discussion could potentially benefit from HIRPD involvement in the form of direct funding, bond financing, grant application and administration support, or planning and technical assistance – not just for marine cargo use, but for any use authorized in legislation.

### MARSHALL COUNTY

- The **Ozinga Materials** site is being evaluated for redevelopment as part of the ongoing Port of Henry Master Plan.

### TAZEWELL COUNTY

- A former liquid bulk terminal on **Wesley Road in Creve Coeur**, north of the Peoria Lock and Dam and immediately downriver from ADM/Growmark Creve Coeur dock is currently for sale. It is being marketed as a port redevelopment site and appears well suited for eventual development as a rail to barge grain transload facility, assuming its berth location is compatible with future expansion of the Peoria Lock and Dam.
- The former **Tomen Grain** dock near the Alto facility.
- The **United Facilities** property at 603 N. Main Street in East Peoria, near the I-74/US 150 interchange. The site has three existing warehouses, a barge slip with a very small wharf, and undeveloped open space. The site has good truck access but no rail access, and no maritime facilities other than the small wharf.
- The **TP&W (Toledo, Peoria and Western) Railyard** located in East Peoria. While the site is not accessible by water, it may have utility as part of a multi-modal investment strategy, consistent with HIRPD's mission.

### PEORIA COUNTY

- **Liberty Steel** (former Keystone Wire) had temporarily suspended operations but is back in operation. Liberty has a dedicated barge slip and historic scrap barge operations, along with excellent rail access. It is possible that beneficial site improvement and reconfiguration could occur in the future. With improvements, this could be an excellent site for a multi-user regional steel and metals terminal hub facility.
- The inactive **Edwards Power Plant** near Hollis has a dock historically used for moving coal along with excellent rail access and also has potential for development as a steel and metals terminal.

- A set of independently-owned properties at **Kingston Mines**, located downriver from Mosaic/Growmark, does not have any marine infrastructure but offers good rail and truck access in a generally industrial area and could be suitable for port development.
- The **waterfront adjoining O'Brien Steel** in the City of Peoria includes two maritime use areas (the Army Corps of Engineers

and the inactive Detweiler Marina) which could be candidates for improvement.

- The **Peoria Heights waterfront**, which is not a good candidate for cargo operations, but which does include a mix of and potential for marine-related support services and marine recreation.





# 07. POLICY RECOMMENDATIONS

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To guide next steps and actions by HIRPD and its partners and supporters, the Plan establishes policy recommendations with respect to strategy, organizational model, cargo vision, non-cargo vision, marketing and partnerships, advancement of IDOT goals, and opportunity capture.

## HIRPD STRATEGY

To execute its statutory mission, HIRPD shall promote port and related activities and development consistent with its authorizing legislation as follows:

- **HIRPD shall be a regional partner and collaborator**, utilizing its powers of investigation, planning, regulation, and finance to promote the establishment, growth, and operation of port and other eligible activities and uses, whether on public or private lands, throughout the HIRPD region and for the benefit of all six counties and local jurisdictions therein.
- **HIRPD shall be a regional developer**, exploring and pursuing opportunities for acquiring, constructing, owning and potentially operating port facilities and other assets, in whole or in partnership, based on market opportunities, site availabilities, partner interest, and other factors, as a regional developer.

- **HIRPD shall be financially independent and self-sustaining**, generating necessary operating revenues from financing assistance to other parties, land lease payments, facility operator payments, throughput or use charges, and similar means. HIRPD shall seek grant assistance for major capital projects where necessary, but shall not rely on grants, taxes, levies, or voluntary contributions for operations.

## RECOMMENDED HIRPD ORGANIZATIONAL MODEL

### ~~HIRPD SHALL ORGANIZE AND OPERATE AS A REGIONAL PARTNERSHIP PORT~~

As a Regional Partnership Port, HIRPD's initial focus shall be to apply its powers and authorities – including technical assistance and financing -- to support regional port operations and generate multi-modal transportation investment funding from a variety of sources (federal, state, nonprofit and industry), while generating revenue from HIRPD public financing of eligible projects and investments, similar to an Economic Development Port, working actively and collaboratively with a wide public and private partners within its area of jurisdiction.

As a **Regional Partnership Port**, HIRPD may also include Operational, Landlord, or Hybrid port functions within its organizational boundaries and programs, either initially or evolving over time as opportunities arise.

- **Operational Port** - the Port provides all operational services at the facility including stevedoring/cargo handling. Personnel are employees of the Port. The Port handles all billing and employee compensation and benefits and receives all operating revenues.
- **Landlord Port** - the Port leases all property to an operator who handles operations, maintenance, and stevedoring. Terminal personnel are employees of the operator. The Port collects a monthly lease payment from the lessee who exclusively controls the entire terminal facility. Port fees are generally controlled by the terminal operator except for dockage and possibly a portion of wharfage.
- **Hybrid Port** - the Port operates the terminal, but all stevedoring/cargo handling services are provided by a third-party contractor. The Port collects for terminal operating services while the operator collects for labor associated with handling cargo to and from vessels.

One of the important findings from this planning process is that HIRPD could generate sustainable revenues from multiple sources. Traditional operating ports receive revenues directly from customers, and traditional landlord ports receive revenues based on land leases, throughput charges, and other fees. A few ports, like Pittsburgh, are supported by public grants rather than fees. And importantly, some ports, like Cleveland and Kansas City, are supported through revenues generated from the issuance of public debt – they issue revenue bonds on behalf of development projects, and the project owner is responsible for payments to the port covering debt costs plus additional costs (including debt service coverage required by underwriters), and the extra costs become revenues to the port.

By combining these various revenue opportunities as a Regional Partnership Port, HIRPD can look to generate initial revenue streams through its financing powers with no capital outlays, then look to generate revenue streams from asset ownership and operation requiring significant capital outlays and (most likely) grant support.



## CARGO VISION

Based on the economic conditions of the HIRPD region and the market analysis, steel and scrap iron were ranked as the best opportunities based on local demand, growing domestic steel production on the inland waterways, emerging trade policies that may favor domestic steel production, and the lack of existing port facilities handling steel and scrap in or near the region. These would be “paired” services, where steel products and shapes would be received inbound via water from mill sources, and scrap metals would be shipped outbound back to mill sources as feedstock for the manufacturing process.

HIRPD should actively and strategically focus its investment and development on handling steel, scrap, and iron ore as new waterborne commodities for the region. At the same time, HIRPD should also monitor and respond to opportunities to invest and develop for other commodities, based on aging out of existing regional facilities (for grain, fertilizer, etc.), delays in building new capacity elsewhere (for soybeans, aggregates, etc.), new businesses entering the market and/or the regions, changes in market conditions, or other factors.

## NON-CARGO VISION

The primary mission of HIRPD is to promote the development of intermodal, terminal, and port facilities. It will examine the ability to allocate lands for industrial, manufacturing, commercial, recreational, or other harbor purposes, provided such land is not required for cargo transportation. As HIRPD develops sustainable revenues, it shall engage in and support natural resource investigations and recommendations, potentially addressing invasive species, the beneficial use of dredged materials, and other critical issues related to the Illinois River. Additionally, it shall study and make recommendations for river resources management and environmental education within the district, including but not limited to wetlands banks, mitigation areas, water retention and sedimentation areas, fish hatcheries or wildlife sanctuaries, natural habitat, and native plant research.

### **HIRPD Shall Become the Leading Illinois River Port for Steel and Metals**

**As a Regional Partnership Port, HIRPD shall strategically focus its freight investment and development in port and related facilities for receiving steel products and shipping scrap and ores used in steel manufacturing, to become a major Midwest inland port and load center for steel and metals, bringing together water, rail, and truck transportation capabilities with modern, resilient, and sustainable facilities and connections. HIRPD shall serve end-user manufacturers and midstream suppliers not only within the HIRPD geography, but throughout the state of Illinois, supporting manufacturing growth and economic activity. HIRPD shall also monitor and respond to opportunities for investment and development for other commodities.**

### **HIRPD Shall Partner in Regional Development and Environmental Stewardship**

**As a Regional Partnership Port, HIRPD shall consider a full range of suitable uses for lands it may acquire or control in support of its primary mission. As HIRPD develops sustainable revenues, HIRPD shall engage in and support natural resource investigations and recommendations, potentially addressing invasive species, beneficial use of dredged materials, and other critical issues for the Illinois River.**

## MARKETING AND PARTNERSHIPS

Effective marketing of HIRPD's potential, and the subsequent formation of actionable partnerships with empowered public and private stakeholders, is essential to achieving the recommended HIRPD vision described above. Table 1 outlines a general framework that can be implemented over time as resources permit.

**Table 1: RECOMMENDED HIRPD MARKETING AND PARTNERSHIP FRAMEWORK**

| CAPABILITY MARKETED  | TO WHOM  | PURPOSE  | HOW   |
|--|--|--|---|
| <b>HIRPD Planning and Technical Assistance; General Capabilities</b> | Inland Waterway Port Commission (IWPC)   | Provide coordination and support functions required of HIRPD under IWPC enabling legislation; provide input to HIRPD on regional activities of significance                    |   |
|  | Six HIRPD Counties   |  | Public-facing plan materials  |
|  | Tri-County RPC and adjoining regional planning agencies  |  | Presentations at agency/group meetings  |
|  | Greater Peoria EDC and adjoining regional economic development agencies  |  | Informational briefings   |
|  | Regional business associations   | Improve awareness of HIRPD capabilities and better coordinate planning and development activities  | Web and social media materials and partner links  |
|  | Community and environmental associations and groups  |  |   |
|  | State regulatory agencies  |  |   |
| <b>HIRPD Finance Capabilities</b>                                    | Federal regulatory agencies  |  |   |
|  | Public port and related facility developers  | Improve awareness of HIRPD capabilities, identify potential interest in utilization of HIRPD finance powers, and establish business partnership agreements                     | Public-facing plan materials  |
|  | Private port and related facility developers   |  | Confidential business planning materials  |
| <b>HIRPD Acquisition and Development Capabilities</b>                | Industries consuming, processing, transporting, or producing primary target commodities (steel, scrap, iron ore) |  | Research and identification of specific target developers and industries for one-on-one contacts          |
|  | Public and private property owners   | Improve awareness of HIRPD capabilities, identify potential interest in utilization of HIRPD acquisition and development powers, and establish business partnership agreements | Public-facing plan materials  |
|  | Industries consuming, processing, transporting, or producing primary target commodities (steel, scrap, iron ore) |  | Confidential business planning materials  |
|  |  |  | Research and identification of specific target ownership interests and industries for one-on-one contacts |

Source: WSP

## ADVANCEMENT OF IDOT GOALS

The development of this HIRPD Master Plan and Strategy was funded using Illinois State Planning and Research (SPR) funds, and planning projects using SPR funds are required to align with the goals of IDOT's adopted Long-Range Transportation Plan (LRTP) (Table 2). The HIRPD recommendations are designed to implement these goals and shall be implemented to that end.

**Table 2: ALIGNMENT OF HIRPD MASTER PLAN AND ILLINOIS LRTP GOALS**

| GOAL AREA   | LRTP GOAL  | EXPLANATION OF ALIGNMENT  |
|-------------|--|---|
| ECONOMY     | Improve Illinois' economy by providing transportation infrastructure that supports the efficient movement of people and goods.   | The recommendations outlined above (addressing recommended strategy, organization, cargo and non-cargo focus, and marketing/partnership model) look to improve the Illinois economy and support the efficient movement of goods through (a) financial support for eligible freight investments, and (b) land acquisition and facility development for the handling of marine cargo. |
| LIVABILITY  | Enhance the quality of life across the state by ensuring that transportation investments advance local goals, provide multimodal options, and preserve the environment.                  | The recommendations look to enhance quality of life by reinforcing local economic development goals, increasing the range of modal options available to freight shippers, and utilizing new capacity on water (which has a smaller environmental impact on a per-ton basis) as a substitute for existing capacity over the road (which has a higher per-ton impact).                |
| MOBILITY    | Support all modes of transportation to improve accessibility and safety by improving connections between all modes of transportation.  | The recommendations look to create new modal capabilities by water, and to create new connections between water, rail, and truck modes for the movement of freight.   |
| RESILIENCY  | Proactively assess, plan and invest in the state's transportation system to ensure that our infrastructure is prepared to sustain and recover from extreme events and other disruptions. | The recommendations look to develop modern, resilient, and sustainable facilities and modal connections for the movement of freight.  |
| STEWARDSHIP | Safeguard existing funding and increase revenues to support system maintenance, modernization, and strategic growth of Illinois' transportation system.                                  | The recommendations look to establish HIRPD as a financially viable, self-sustaining organization, capable of receiving and growing revenues over time, to fulfill its mission to enhance the Illinois transportation system.   |

Source: WSP

## ACTION PLAN

Operating under available funding, HIRPD will enter into public financing agreements as soon as practical to improve or develop eligible port and related facilities in the HIRPD region, following this Action Plan.

1. Develop marketing and outreach materials, including but not limited to the Master Plan.
2. Aggressively market HIRPD capabilities to potential public and private partners through distribution of materials, online media, and in-person meetings and events.
3. Pursue or respond to any site investment and development opportunities in the region consistent with HIRPD's legislative mission and mandate.
4. Specifically target and discuss opportunities with property owners, developers, and regional governments in Peoria, Tazewell, and Marshall counties, mainly focusing on:
  - » Port of Henry in Marshall County
  - » Wesley Road, former Tomen Grain dock, United Facilities, and TP&W railyard in Tazewell County
  - » Liberty Steel, Edwards Power Plant, and Kingston Mines in Peoria County
5. Expand outreach to the private freight community:
  - » Steel mills, input producers (scrap and iron ore processors), fabricators, and end users
  - » Railroad and barge transportation companies
6. Collaborate with partner agencies on a formal and scheduled basis and coordinate with the ILWW Ports Commission to align and synchronize efforts based on statutory responsibilities, authorities, and capabilities to best serve the HIRPD, Illinois Waterway region, and state of Illinois.
7. Maximize grant opportunities:
  - » Immediately pursue limited federal grant funding for planning, engineering, and environmental studies necessary to advance the port development options
  - » Compile and maintain a private investment list to guide applications for subsequent federal, state, or other grants and to respond to "call for projects" opportunities
8. Recognizing that revenue generation will take time, immediately pursue bridge funding to support HIRPD's organizational expenses, including partnering with other Illinois Port Districts to request that the Legislature establish an annual program to fund operations at Illinois port districts working to achieve revenue self-sufficiency.
9. As sustainable revenue levels are achieved, support regional public and private partners and the implementation of non-cargo or non-revenue-generating projects and initiatives.
10. Over time, implement and sustain investments and development agreements to generate HIRPD revenues at a target level of \$1 million annually.

The Tri-County Regional Planning Commission led the creation of this HIRPD Master Plan and Implementation Strategy, in collaboration with the HIRPD Board of Commissioners and staff and the Greater Peoria Economic Development Council. Funding was provided by the Illinois Department of Transportation (IDOT) through a State Planning & Research Grant. Work was supported by WSP USA Inc., in association with Tioga Group, EBP Group, and the International Association of Maritime and Port Executives.

