

## County to consider land swap: Steel mill wants to expand into forest preserve

Daily Southtown, May 4, 2005, by Mike Nolan

To environmentalist John Sheerin, it's nothing more than a handout for a global steel company headed by one of the world's richest men.

To businessman Jim Bush, Mittal Steel USA's plan to expand its Riverdale plant is a much-needed source of jobs in the Southland.

"Other than the (Peotone) airport and the Lynwood casino, this would be the biggest economic development project in the south suburbs," said Bush, past chairman of the Chicago Southland Chamber of Commerce.

Before Mittal will consider moving ahead with the \$200 million expansion, however, the company wants Cook County to turn over 21 acres of the Whistler Woods Forest Preserve next to the Riverdale mill. In exchange, Mittal would trade 31 acres it owns just north of the steel mill.

County commissioners — meeting today as the forest preserve district board — are expected to discuss the proposed swap, but the issue is likely to be referred to a committee for study.

Ultimately, state legislators would have to approve any transfer of forest preserve property.

Sheerin, president of the Friends of the Forest Preserve, labels it a "bad deal" for the county and contends Mittal has plenty of available land next to its plant for expansion.

"We don't accept the immediate contention that the plant can't be expanded without taking forest preserve land," said Sheerin, an environmental law attorney and Oak Lawn resident.

While Mittal does possess available land, the way it's laid out doesn't allow for the type of expansion the company is considering, said David Allen, a spokesman for Mittal Steel USA.

"It's not configured in such a way that we can use it" for this project, he said.

Bush, owner of American Eagle Steel Co. in Thornton, said he doesn't understand why environmentalists such as Sheerin would oppose the land trade.

"They are gaining more land," he said. "This would make sense for the county."

The property Mittal wants to transfer to the county is along the Little Calumet River, and Bush describes it as "heavily wooded."

"There are 21 acres (of Whistler Woods) they want, eight of which are barren," Bush said.

The land Mittal is willing to trade "is not a high-quality woodland," said Benjamin Cox, executive director of the Friends of the Forest Preserves. He also pointed out that it's not connected to any other forest preserve land.

"Fragmented parcels are not good for ecosystems and the environment," he said.

Sheerin said the land Mittal covets contains wetlands and old-growth trees, and is next to Whistler Woods' picnic areas and driving range. He said the land also is filled with nesting areas for birds that call the Lake Calumet area home.

Sheerin also criticized the county for making "bad deals with known polluters," saying the steel plant continues to pump thousands of pounds of lead and other pollutants into the atmosphere.

Allen said that under Mittal, the plant "will be operated as environmentally responsible as possible," and that the mill's new owners shouldn't be held liable for how the plant was run in the past.

The Southland chamber is backing the land exchange because of the investment Mittal would make and the jobs the plant expansion would create. A minimum of 75 to 100 permanent jobs would be created, said Bush, the chamber's point man on the project.

Mittal, however, hasn't formally committed to expanding the Riverdale plant, 135th Street and Perry Avenue, which it acquired less than a month ago after a merger with International Steel Group Inc.

ISG had grown to become the nation's biggest steelmaker by buying mills owned by bankrupt steel companies, including Bethlehem and LTV. The Riverdale mill previously had been owned by Acme Metals. ISG was gobbled up last month by Mittal Steel Co. NV, which became the world's top steel concern with the \$4.5 billion deal. Mittal Steel USA is the subsidiary overseeing all of the company's U.S. plants.

Headquartered in Rotterdam, Netherlands, Mittal Steel is run by Lakshmi Mittal, the company's majority shareholder. With the ISG acquisition, Mittal shot up to No. 3 on Forbes magazine's ranking of the world's richest people.

Mittal's board of directors would have to approve an expansion of the Riverdale plant, Bush said.

"It's hard for them (Mittal) to say they are for this, if they don't have the land," Bush said.

ISG first floated plans for the land swap a few months ago, proposing to build a twin of the continuous thin-slab caster Acme Metals built at the eastern fringe of Whistler Woods in 1997. Acme sunk nearly \$400 million into the facility, which ISG bought for \$65 million after Acme went bankrupt.

Cook County historically has rejected proposals for land swaps or land purchases — save for one in Rosemont.

Acme had twice tried to acquire county-owned land to expand the Riverdale mill.

In one proposal, Acme offered to trade 50 acres north of the plant in exchange for 26 acres owned by the county. A couple of years after that was shot down, Acme offered to buy 13 acres of Whistler Woods adjacent to the plant.

In a deal some commissioners wound up regretting, the county in 1999 sold 2.4 acres of forest preserve land near the Rosemont convention center and the Des Plaines River to Rosemont Mayor Donald Stephens. The land was used to build a parking garage for a casino, which was never built.

The \$2.9 million the county got was then used to buy 31 acres of property along Wolf Road near Orland Park in a deal strongly

supported by then Commissioner Herb Schumann, who sought to preserve the land from housing development.

That deal was severely criticized by the Sierra Club and other environmental groups because it was the first time in forest preserve district history it sold land that it had not declared surplus.

Bush said county officials shouldn't oppose the Mittal transfer because that deal went sour.

"If you make a bad decision, it doesn't mean you stop doing business," Bush said. "You learn from it."