

Developers attempt to influence incentives

Professionals seek to shape City Council's guidelines for encouraging growth

By MIKE RAMSEY

of the Journal Star

PEORIA — Dozens of local developers have sent the City Council a position paper they hope will shape new policies governing the use of tax assistance and incentives.

About 30 of the professionals — friends and foes alike — met for an hour Wednesday afternoon to discuss a "platform" on economic development. They seek to influence council members as the leaders next week begin setting formal guidelines for what the city should offer companies that build projects in Peoria.

The council's policy sessions were triggered by recent controversy over The Promenade, a proposed Northwest Peoria shopping center whose developers asked for sales-tax rebates and subsidies for mall parking lots and drives. The much-debated proposal was fought by owners of some existing malls and divided elected officials before it was defeated last month.

"Frankly, I don't want to point to just one development," said David Maloof, president of Maloof Commercial Real Estate Co., who organized the unprecedented summit of developers. "We're really looking at this as being a neutral discussion. Typically, you'll not find developers commenting on other developers' projects."

Present this week at The Grill downtown was a virtual who's-who of dealmakers, including Diane Cullinan, who proposed The Promenade, David Joseph, Mike Wisdom, Kert Huber, Les Cohen, Jack Teplitz and Pat Sullivan. Virtually all endorsed the platform, or at least didn't oppose it, though Cullinan notably abstained from taking a stance, sources said.

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In a letter to council members, Cullinan wrote, "We would like to make it clear that we were not asked to participate in drafting the document and that the document presents a point of view that is not shared by all developers."

She added: "We are troubled by what we feel is a secretive and non-inclusive process which generated the document. The development issues that are being considered by the city have ramifications . . . for a long time to come."

Malooof's diplomatic comments aside, the stakeholders' proposed "level playing field" takes into account the type of request Cullinan made late last year in an attempt to make her

\$100 million shopping mall happen along U.S. Route 150 at Illinois Route 91.

It discourages the City Council from using public assistance to finance private, on-site infrastructure at greenfield developments such as The Promenade. The document also asks elected officials to consider the financial health of Peoria School District 150, which was the basis of some opposition to The Promenade.

The platform also urges the city to uniformly evaluate projects whose developers request more than \$250,000 in assistance. And it recommends the city hire an economic development director who would oversee all projects in Peoria, including those on the riverfront.

Also attending the meeting

of developers this week were three council members, 2nd District Councilwoman Camille Gibson, 5th District Councilman Patrick Nichting and at-large Councilman Eric Turner, and city staff, including City Manager Michael McKnight.

"It was nice that everyone showed up," Nichting said. "They didn't come there to complain so much as (to say) 'We're the players in the development community, we need to come together as a group and say this is what's important.' I think they did that."

Gibson convinced her council peers to begin the discussions about economic policies. Under the current case-by-case method the council uses, there's a "public bloodletting" every time a developer tries to move forward with a plan, she said.

All council members agree the policy sessions will be useful, though some have different ideas about what ultimately will emerge. Few support iron-clad guidelines that don't allow for special cases.

"I'm not sure the City Council will ever enact any standard that we will unswervingly adhere to," at-large Councilman Chuck Grayeb said. "Each (project) is individual, unique."

Still, at-large Councilman John Morris says, "If you're going to play a game of basketball in the neighborhood, you have to determine which crack in the driveway is the three-point line."

The council's first policy session on economic development begins Tuesday evening after its regular meeting at City Hall.