

O'Fallon's 'front door' eyed as next generation of economic expansion

By DENNIS GRUBAUGH

The terrain along Interstate 64, heading into O'Fallon from the east, could someday look quite different.

Vast stretches of fertile farmland could give way to warehousing and logistical operations. People accustomed to heading into town for work may instead find jobs on the outskirts.

A community visited by fortune unlike almost any other in Metro East in the last 20 years could reap the benefits of more to come because of its location.

O'Fallon and St. Clair County are banking heavily on growth in the corridor marked by the empty land around and between two Interstate 64 exits. One is Exit 19, the access for Illinois Route 158, the main way into Scott Air Force Base, Southwestern Illinois' biggest employer. The other is new Exit 21 at Rieder Road, about two miles to the east, another way into the air base and to MidAmerica St. Louis Airport.

"We are looking at the next large push being transportation, logistics and manufacturing, particular with Exit 19 and the new Exit 21, which is essentially going to be the new front door to Scott Air Force Base," Assistant City Administrator Grant Litteken said. "We've got 600 acres on the north side of the interstate that we are working feverishly to get infrastructure in, and working with some prospects now to develop that area."

He added: "It's a 20-year buildout horizon and we are looking long term."

It cost more than \$36 million for St. Clair County to build the Rieder interchange

(mostly state money), which will serve development north and south of the interstate. The project included three miles of widening of Interstate 64 to a six-lane roadway and replacing the existing two-lane Rieder Road Bridge over Interstate 64 with an 80-foot wide bridge that is able to accommodate the projected traffic volumes at the interchange. The interchange also includes lighting and signalized intersections.

Several auxiliary roads have been or will be improved as part of the vision, including Rieder Road, Shiloh Valley Township Road and Wherry Road.

Shiloh Valley Township Road is a frontage road that connects the two interchanges on the north side of the interstate.

St. Clair County has about 125 acres north of the interchange, and another 5,800 acres to the south. Once, the county had dreams of putting the new, multi-billion-dollar National Geospatial-Intelligence Agency project on the south side, but lost out to St. Louis.

Terry Beach, economic development director of St. Clair County, recently talked about some of the county's plans in one of his periodic email updates.

"We are also excited about pending and future developments at and near the new I-64 Exit 21 at Rieder Road," he wrote. "The County Board recently approved selling 15 acres (of its 125 acres on the north side) to Bobcat of St. Louis. They will be building a new store (sales, service,

parts, etc.) there. And that site is located in a state-certified Enterprise Zone administered locally by us."

Bobcat is currently on a smaller, 3- to 4-acre site in Fairview Heights "so that was a retention project for us since they were considering an out-of-county option. They approached us," Beach said.

He noted that the county's 5,800 acres south of I-64 surrounds Scott AFB on three sides.

"That helps to prevent encroachment, which remains a significant concern for military installations," he said.

In 2017, O'Fallon officials commissioned a study of the corridor to get a sense of its potential.

The study, by the Urban Land Institute of St. Louis, identified about 3,000 acres of developable area, pretty much evenly split north and south by I-64. One theme of the study was the potential for annexations.

Through prior negotiations, the county and cities of O'Fallon and Mascoutah have agreed that O'Fallon will pursue annexation of the northern 1,500 acres, and Mascoutah will have the rights to pursue annexation of the southern 1,500 acres, the study says.

"Most of the northern acreage is held by private land owners and may be acquired fee simple," the study's authors said. "The acreage in the southern portion of the study area is subject to Federal Aviation Administration regulations and is available for development via long-term lease only."

Large tracts of relatively flat land are held in the hands of a small number of property owners, the study says.

Along the northern edge of the study area is a single-track rail line owned by CSX railroad. Although currently decommissioned, the CSX line could be put back into service, according to

representatives interviewed during the study. But that would depend on an investment sizeable enough to justify returning the tracks to service, they said.

The rail line, which could be accessible via a short rail spur, could take freight from the study area to the switch yard in East St. Louis and on to both coasts via the existing rail network.

The entire study area is located within an enterprise zone, and the southern half is also located within a Foreign Trade Zone.

In terms of infrastructure, the developable area "is a relative blank slate and, as it relates to any development of scale, completely unimproved," the study said.

One of the study panel's recommendations is to construct a relocated Rieder Road from the interstate north to U.S. 50, but St. Clair County has indicated it does not have funding to improve the road north, the study says.

Rieder Road is basically a small country road, unable to handle commercial traffic. Even more challenging, Rieder Road narrows down to one lane near U.S. 50 where it goes under a CSX overpass.

To address these challenges, the study panel recommends that the city create a central access road connecting Exit 21 to U.S. 50, using Rieder Road near Exit 21, but quickly turning to the northwest, connecting to U.S. 50 west of the rail line and eliminating the need for any over/under pass of the rail line.

As for utilities, O'Fallon has estimated that it would need approximately \$4 million to 5 million to install sewer lines to the study area. Electric service exists to current residential buildings but will need to be improved in order to provide commercial service. The city is already moving forward to provide water to the northern half of the study area and would thereby secure its rights to annex the land into the O'Fallon, the study said.

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