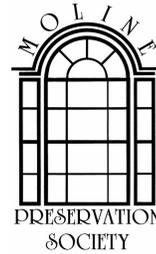




National Trust for
Historic Preservation
Save the past. Enrich the future.



LANDMARKS
ILLINOIS



August 4, 2020

Rock Island County Board
Rock Island County Office Building
1504 Third Avenue
Rock Island, IL 61201-8624

Dear County Board Chairman Brunk and Members of the County Board:

As you know, the Illinois Appellate Court recently rejected the County's position that the demolition of the historic Rock Island Courthouse is exempt from the Preservation Act, and reinstated the injunction barring demolition. We believe now is the time to come together and achieve a win-win outcome for all parties, especially the citizens of Rock Island County. Accordingly, we write to renew our desire to settle the litigation between us and share with you our ideas on how we might do so. We also summarize below how we got to this point and highlight the benefits of our proposed path forward.¹

How We Got Here

The undersigned nonprofits and others filed a lawsuit to prevent the demolition, which we alleged violated the Preservation Act and other laws. Shortly after initiating the lawsuit, we proposed a settlement whereby we would work together to establish a Request for Proposals (RFP) process that could be completed in less than one year. If the process failed to produce a viable reuse, we would not oppose demolition.

In September 2019, the Illinois Department of Natural Resources and the Illinois Environmental Protection Agency jointly proposed a nearly identical solution pursuant to the consultation mandated under the Preservation Act. A copy of that proposal is attached here as Exhibit 1. The RFP process envisioned under each would have been complete or nearly complete by now.

The County rejected the proposals without any attempt at negotiation and proceeded with litigation. To date, the County has spent **more than \$114,000** on legal fees and achieved nothing. As in early 2019, the demolition project remains enjoined, and we stand ready to work on a solution that benefits all parties.

Where We Are Now

The case for the County to pursue a partnership with a private developer to reuse the historic courthouse is even stronger today than it was when we first proposed the solution in early 2019.

¹ We understand from your counsel's August 12, 2019 letter that you prefer communications from us to occur through counsel. There is no rule, however, that precludes us from writing to you, the County Board, directly. As a courtesy, we have asked our attorneys at Jenner & Block to provide your counsel with a copy of this letter.

First, as you know, the pandemic has wreaked havoc on municipal budgets everywhere, and Rock Island has not been spared. Notwithstanding the property tax increase the County passed last year, the County has still been forced to make cuts resulting in significant job losses. A private redevelopment would cost the County nothing, while leveraging millions of dollars of private investment, creating jobs and generating new tax revenue. Given the current economic environment, we would like to work with the County to achieve this positive and constructive solution.

Second, the County has an opportunity to bring in federal investment by reusing the historic courthouse as the new federal courthouse. Setting aside the number of new jobs associated with a federal court, federal funding would be extremely helpful to Rock Island County to attract new residents and businesses and spur additional private investment. As you know, local developer Joe Lemon has assembled a proposal for the General Services Administration (GSA) to reuse the historic courthouse as the new federal courthouse. His proposal remains active and competitive in the process and receives preference from the GSA because his proposal would reuse a historic building. We strongly urge the County to engage with Mr. Lemon and work to provide him with the option he needs to continue with his GSA proposal. Providing such an option, which may be contingent on GSA approval to Mr. Lemon's plan, would impose no cost or risk on the County and could result in significant benefits for all.

Third, the opportunity to redevelop the courthouse is even more attractive now with its addition to the National Register of Historic Places, making private rehabilitation of the courthouse eligible for the 20% Federal Historic Tax Credit. The new 25% Illinois State Historic Tax Credit puts another incentive on the table. From 2015-2019, the Federal Historic Tax Credit spurred over \$1 billion in private investment in Illinois ("Federal Tax Incentives for Rehabilitating Historic Buildings," 2019, National Park Service) (available at <https://www.nps.gov/tps/tax-incentives/taxdocs/tax-incentives-2019annual.pdf>.)

We urge the County to consider the available benefits of this historic rehabilitation project, including job creation, tax revenue and conservation. This return on investment is why the state and federal governments choose to invest in historic buildings via tax credits and why the GSA prioritizes projects that reuse historic buildings. The County has the opportunity to leverage these state and federal tax incentives to bring this investment into downtown Rock Island, as a win for everyone involved.

Where We Go From Here

If the County refuses to entertain Mr. Lemon's proposal—a path which, in our view, would be inexplicable—we propose an RFP framework along the lines of that set out in the September 2019 proposal from the Illinois Department of Natural Resources and the Illinois Environmental Protection Agency.

We believe that such a process—if done working constructively together among the parties and conducted in good faith—will reveal that additional economically viable reuse alternatives exist.

The process will also comply with the Preservation Act and allow the County to lawfully proceed with demolition if no viable reuse alternatives come forward.

Even though there has not yet been any formal County-sanctioned process by which developers were invited to submit reuse proposals, preservation organizations were successful in securing three letters of interest last year from developers with a proven track record of historic rehabilitation projects:

- The Alexander Company, www.alexandercompany.com, Madison, WI;
- Restoration St. Louis, www.restorationstl.com, St. Louis, MO; and
- Joe Lemon, Founder of The Abbey Center (a former Monastery, rehabilitated using the Federal Historic Tax Credit)

There remains ample evidence of private interest in the redevelopment of the Courthouse—at no cost to the County. If the County would lend its support to a reuse process, we believe the private interest in investing to preserve and rehabilitate the building, and the likelihood of success, would be even greater. For example, in January 2020, separate and apart from his GSA proposal, Mr. Lemon offered to purchase the courthouse and invest \$8 million in its rehabilitation for reuse as private office space.

The undersigned nonprofit organizations stand ready to offer our partnership and assistance in finding a development partner. Our expertise spans from local to national. Landmarks Illinois offers to lead this coalition and serve as the County's primary contact for assistance. Recognizing the benefits of reusing the historic courthouse, the City of Rock Island has also offered its expertise and partnership to the County with the goal of successful privatization and redevelopment of the courthouse (Resolution No. 01-2019, available at <https://rigov.org/AgendaCenter/ViewFile/Item/2230?fileID=3040>). The City's resolution noted the opportunity of expanding the tax base, the economic development potential of historic preservation and the success of rehabilitation projects downtown.

In this letter, we have highlighted viable paths forward and identified the benefits of each. Although we stand ready to defend the Appellate Court decision, we urge the County to consider our ideas and forego incurring further litigation expenses to the detriment of Rock Island County's already overburdened taxpayers. We want to begin a conversation in which the opportunities for the historic courthouse are meaningfully considered for the people of Rock Island County. We welcome your partnership, your leadership and your vision for Rock Island's future.

Sincerely,



Bonnie McDonald
President & CEO
Landmarks Illinois



Paul Edmondson
President & CEO
National Trust for Historic Preservation



Linda Anderson
President
Rock Island Preservation Society



E. Diann Moore
President
Moline Preservation Society



Bridget Ehrmann
Secretary
Broadway Historic District Association

Enclosures

**MEMORANDUM OF AGREEMENT AMONG
ROCK ISLAND COUNTY,
THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY, AND THE
ILLINOIS STATE HISTORIC PRESERVATION OFFICER
REGARDING THE DEMOLITION OF THE
ROCK ISLAND COUNTY COURTHOUSE AT
210 15TH STREET IN ROCK ISLAND, ILLINOIS
(SHPO LOG #003092716)**

WHEREAS, Rock Island County (County) plans to demolish the Rock Island County Courthouse at 210 15th Street in Rock Island, Rock Island County, IL (Building); and

WHEREAS, the project requires a National Pollutant Discharge Elimination System (NPDES) permit from the Illinois Environmental Protection Agency (IEPA), thereby making the project an Undertaking subject to review under the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420) and its implementing rules (17 IAC 4180) (Act); and

WHEREAS, the County has consulted with the Illinois State Historic Preservation Office (Office), a Division of the Illinois Department of Natural Resources (IDNR), pursuant to the Act; and

WHEREAS, the Office currently resides within the Illinois Department of Natural Resources (IDNR), and the Director of IDNR is the duly designated State Historic Preservation Officer (SHPO); and

WHEREAS, on November 9, 2017 the SHPO determined that the Building is individually eligible for listing in the National Register of Historic Places (NRHP) Historic District under Criterion A at the local level of significance; and

WHEREAS, the SHPO has determined that the Undertaking will have an adverse effect on the Building that is eligible for the NRHP; and

WHEREAS, the SHPO and IEPA, pursuant to 17 IAC 4180.350.b, has agreed that Landmarks Illinois and the National Trust for Historic Preservation are consulting parties to the consultation and are invited but are not required to sign this Memorandum of Agreement (Agreement) as Concurring Signatories; and

NOW, THEREFORE, the County, IEPA, and the SHPO agree that the Undertaking shall be implemented in accordance with the following stipulations in this Agreement in order to mitigate the adverse effects of this Undertaking to the NRHP-eligible Building as a result of this project.

STIPULATIONS

I. MITIGATION

- A. Marketing the Building to prospective developers.
1. The County and Concurring Signatories shall work with the City of Rock Island to enact Tax Increment Financing (TIF) and similar measures, if possible, to help finance identified repairs of infrastructure around the Building and the rehabilitation of eligible components of the Building.
 2. The County shall install in the Building temporary protection at locations of water infiltration that have resulted from demolition activities already undertaken.
 3. The County shall work with the Concurring Signatories to draft a request for qualified proposals (RFP) to appropriately reuse the Building. The Concurring Signatories shall offer to the County their full efforts and expertise in finding a viable reuse for the Building that preserves its historically significant features.
 - a. The County shall accept proposals from prospective developers for 120 days from the day the RFP is published.
 - b. The County shall work in good faith with prospective developers during the RFP response period.
 - c. The County shall, in a timely manner, provide any relevant information about the Building and its site that is requested by prospective developers.
 - d. The County shall, in a timely manner, make the Building available for onsite inspection by prospective developers.
 - e. Upon conclusion of the RFP response period, the County, in consultation with the Concurring Signatories, shall review all submitted proposals to determine which proposals are qualified.
 - f. Within 60 days of the conclusion of the RFP response period, the County, in consultation with the Concurring Signatories, shall select the best submitted qualified proposal. This period may be extended as needed by mutual agreement of the County and Concurring Signatories to accommodate County ratification.
 - g. If the County and Concurring Signatories agree that no qualified proposals were submitted during the RFP response period, Recordation pursuant to I.B of this Agreement shall commence.
 - h. The County must conduct the RFP process.

4. The RFP shall include the following
 - a. The requirement that qualified proposals must propose the use, rehabilitation, and financing of the rehabilitation
 - b. The requirement that qualified proposals must rehabilitate the Building according to the Secretary of the Interior's Standards for Rehabilitation (Standards)
 - c. The requirement that prospective developers must be responsible for all other financing
 - d. Any additional criteria as agreed to by the signatories and concurring signatories by which a proposal is determined to be qualified
 - e. The County shall offer the Building for \$1 to the selected developer
 - f. The County shall make available to the selected developer funds equal to the estimated cost to demolish the Building
5. Within ninety (90) days of the signing of this Agreement, the County shall submit the draft RFP to the SHPO for comment. Within two (2) weeks of receiving written approval of the draft RFP from the SHPO, the County and Concurring Signatories shall publicize the RFP to prospective developers.
6. Within 120 days of selecting a qualified proposal, or longer if an extension is agreed to by the County and Concurring Signatories, the County shall execute a negotiated redevelopment agreement with the selected developer(s). The SHPO and Concurring Signatories shall provide assistance and consultation to the County regarding this agreement and its negotiations.
7. If the selected qualified proposal does not result in an executed redevelopment agreement, the County shall select the next highest scored qualified proposal received during the RFP response period and follow I.A.6.

B. Recordation

The County shall retain a historical contractor(s) of its choice (Contractor) who meets the Secretary of the Interior's Qualifications (36 CFR Part 61, https://www.nps.gov/history/local-law/arch_stnds_9.htm) to complete the

measures described below. Prior to the completion of the Undertaking (if the Undertaking is more than just demolition, otherwise it should “Prior to the expiration of the Agreement”), the County will ensure that the following mitigation and Historic American Building Survey (HABS) recordation (see: <https://www.nps.gov/hdp/standards/index.htm>) is/are completed by the Contractor. The Contractor must consult with the SHPO prior to the initiation of the work to ensure that expectations are understood.

1. Fieldwork: Site Visit, Photography, Measurements

- a. The Contractor shall take site, interior, and exterior digital images of the Building. These photos should be used for reference in developing the architectural description outlined in I.B.2.d. Field notes/sketches should be used to create the digital sketch plans outlined in I.B.2.a.
- b. The Contractor shall submit draft digital images of the same or very similar views that are proposed for HABS photography to the SHPO for comment. Selection of view and quantity of images shall be done in consultation with the SHPO. Images must include site, elevations, distinctive exterior and interior architectural features, primary interior spaces, and representative non-primary interior spaces. Upon SHPO concurrence in writing of the selected draft views, the Contractor may proceed with taking the final HABS photography as outlined in I.B.1.c.
- c. Final HABS photographs must be taken by a professional photographer and must include all the views agreed to in I.B.1.b. Photographs must be taken with a large-format film camera using 4” x 5” or larger black-and-white negatives, processed according to HABS guidelines, with in-camera perspective correction (as needed).
- d. Upon completion of I.B.1.a, b, and c, the Contractor shall digitally submit the images and copies of field notes to the SHPO for review and comment. Upon SHPO confirmation in writing that all of the information necessary to complete HABS recordation has been collected, the demolition of the Building may commence.

2. Recordation components shall consist of the following items.

- a. Sketch plans/elevations, as defined by HABS and digitally drawn, of the Building in its current condition printed drawing-size on vellum with either a large-format inkjet printer using a HABS-designated ink set or with a large-format laser printer (i.e., photocopier).

- b. HABS photographs. Prints from the negatives taken in I.B.1.c must be either wet processed on regular (not resin-coated) photo paper or inkjet-printed, according to HABS guidelines. The size of the final prints shall be the size of the negatives, and their mounting and labeling shall be done in accordance with guidance provided by the National Park Service (NPS). Final recordation package must contain the photo prints, original negatives, and a contact sheet, per HABS standards.
 - c. Archival digital photography. This set of labeled photos are those taken as a part of the reconnaissance and agreed to as stated in I.B.1.a. They should be printed as directed by HABS staff.
 - d. Narrative and description. A written historic narrative and an architectural description of the Building using HABS-designated outline format printed single sided on regular-weight, archival (non-recycled, with 25% cotton fiber content) bond paper.
 - e. Original and/or historic drawings. Any original and/or historic drawings of the Building scanned at a minimum of 400 dpi, dropped full-size onto HABS title blocks, and printed on vellum with either a large-format inkjet printer using a HABS-designated ink set or with a large-format laser printer (i.e., photocopier). The Contractor must consult with the SHPO to determine which extant plans warrant scanning and inclusion in the recordation package.
 - f. Original field notes, if applicable (i.e., field sketches, laser-scan info, photogrammetric data info.)
 - g. Historic images and maps. Photographic copies of illustrative historic images and maps must be scanned, and printed, and labeled according to HABS guidelines. The Contractor must consult with the SHPO to determine which historic images and maps warrant inclusion in the recordation package.
 - h. CD/DVD. Digital versions of items I.B.2.a through I.B.2.g must be saved onto an archival CD/DVD.
3. Draft submission. The Contractor shall email in pdf format and mail a hardcopy of the 95% draft of the items in I.B.2.a through g to the SHPO for review and comment. When the SHPO accepts in writing the 95% draft submission, the Contractor will complete the final documentation as directed in I.B.4.

4. Final submission. Upon completion of the final documentation, the Contractor shall submit the following to the SHPO:
 - a. One (1) HABS recordation package containing items I.B.2.a, b, c, d, e, f, g, and h.
 - b. One (1) recordation package containing items I.B.2.a, c, d, e, g, and h in an archival clamshell.

Upon final approval, the SHPO will submit the HABS recordation package to the Heritage Documentation Programs in the NPS for eventual deposit in the Library of Congress, and the SHPO will deposit the recordation package with the Abraham Lincoln Presidential Library in Springfield, Illinois.

II. DURATION

This Agreement shall terminate if its stipulations are not carried out within two (2) years from the date of its execution. Prior to such time, the County may consult with the other signatories to reconsider the terms of the Agreement and amend it in accordance with Stipulation VI AMENDMENTS below. The County shall notify the signatories as to the course of action it will pursue.

III. POST-REVIEW DISCOVERIES

If potential historic properties are discovered or unanticipated effects on historic properties found, the County shall consult with the SHPO immediately and make reasonable efforts to avoid, minimize, or mitigate adverse effects to such properties. In the event of an unanticipated discovery of human remains or burials, the County understands and agrees that it must immediately stop work within the area of discovery, consult with the SHPO, and comply with the Human Skeletal Remains Protection Act (20 ILCS 3440) and its implementing rules (17 IAC 4170) as administered by IDNR, which provides that no human skeletal remains shall be disturbed without a permit issued by IDNR.

IV. MONITORING AND REPORTING

Each three (3) months following the execution of this Agreement until it expires or is terminated, the County shall provide all Signatories to this Agreement a summary report detailing work undertaken pursuant to its terms. Such report shall include any scheduling changes proposed, any problems encountered, and any disputes and objections received in the County's efforts to carry out the terms of this Agreement.

V. DISPUTE RESOLUTION

Should any signatory to this Agreement object at any time to any actions proposed or the

manner in which the terms of this Agreement are implemented, the County shall consult with the signatories to resolve the objection. If the signatories cannot agree regarding a dispute, the signatories shall utilize the procedures provided in 20 ILCS 3420/4e.

VI. AMENDMENTS

This Agreement may be amended when such an amendment is agreed to in writing by all signatories. The amendment will be effective on the date a copy is signed by all of the signatories.

VII. TERMINATION

If any signatory to this Agreement determines that its terms become impossible to carry out, that signatory shall immediately consult with the other signatories to attempt to develop an amendment per Stipulations V and VI above. If within thirty (30) days an amendment cannot be reached, any signatory may terminate the Agreement upon written notification to the other signatories.

VIII. COUNTERPARTS; FACSIMILE OR .PDF SIGNATURES

This Agreement may be executed in counterparts, each of which shall be considered an original and together shall be one and the same Agreement. A facsimile or .pdf copy of this Agreement and any signatures thereon will be considered for all purposes as an original.

IX. EFFECTIVE DATE

This Agreement is effective on the date signed by the County.

EXECUTION of this Agreement and the implementation of its terms evidences that the County and IEPA have afforded the SHPO an opportunity to comment on the effects of the Undertaking in compliance with the Act.

[Signature Pages to follow]

**MEMORANDUM OF AGREEMENT AMONG
ROCK ISLAND COUNTY,
THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY, AND THE
ILLINOIS STATE HISTORIC PRESERVATION OFFICER
REGARDING THE DEMOLITION OF THE
ROCK ISLAND COUNTY COURTHOUSE AT
210 15TH STREET IN ROCK ISLAND, ILLINOIS
(SHPO LOG #003092716)**

SIGNATORY

ROCK ISLAND COUNTY (County)

Signature: _____ Date: _____

Name: _____

Title: _____

DRAFT

**MEMORANDUM OF AGREEMENT AMONG
ROCK ISLAND COUNTY,
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(SHPO LOG #003092716)**

SIGNATORY

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY (IEPA)

Signature: _____ Date: _____

Name: _____

Title: _____

DRAFT

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(SHPO LOG #003092716)**

SIGNATORY

ILLINOIS STATE HISTORIC PRESERVATION OFFICER (SHPO)

By: _____ Date: _____
Colleen Callahan, Director and State Historic Preservation Officer
Illinois Department of Natural Resources

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CONCURRING SIGNATORY

LANDMARKS ILLINOIS

By: _____ Date: _____
Bonnie McDonald, President and CEO
Landmarks Illinois

DRAFT

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(SHPO LOG #003092716)**

CONCURRING SIGNATORY

NATIONAL TRUST FOR HISTORIC PRESERVATION

Signature: _____ Date: _____

Name: _____

Title: _____

DRAFT