



Lake County Illinois

Legislation Text

File #: 15-0631, Version: 1

Resolution authorizing execution of the Zion Power Station Agreement with Exelon Generation Company, LLC.

- Exelon Generation Company is currently undergoing comprehensive decommissioning of the Zion Nuclear Power Station, referred to as the Station Parcel.
- The Station Parcel has been a subject of controversy and future litigation.
- Electricity is no longer being generated and as a result, the site has suffered and continues to suffer significant and continuing erosion of value.
- An agreement to ameliorate the impact of the increasingly diminished value of the site has been reached by the Parties.
- Each impacted taxing jurisdiction will need to approve this agreement.
- After execution, the agreement is required to be submitted, reviewed and approved by the Nineteenth Judicial Circuit before the agreement can become effective.

RESOLUTION

WHEREAS, Exelon Generation Company, LLC (“Exelon”) owns real property located within Lake County, Illinois, the permanent index real estate tax number of which is 04-23-100-006 (the “**Station Parcel**”). The Station Parcel is the site of the Zion Nuclear Power Station, which is now undergoing comprehensive decommissioning; and

WHEREAS, a real estate tax assessment was placed on the Station Parcel for the tax year 2014; and

WHEREAS, the 2014 real estate tax assessment, including the classification and valuation of the independent spent fuel storage installation, consisting of a large unitary concrete pad on which 65 individual over packs and canisters containing spent nuclear materials are stored, and a small security building, installed on the Station Parcel is the subject of controversy and future litigation with Exelon; and

WHEREAS, Exelon is no longer generating electricity for sale at the Zion Nuclear Power Station, and will not resume generating electricity at the Zion Nuclear Power Station. As a result, the Station Parcel has suffered and continues to suffer a significant and continuing erosion of value and the Parties agree for purposes of settlement to ameliorate the impact of this increasingly diminished value on the Taxing Bodies by providing an agreed upon value and ramp-down of assessed values over a six year period with the understanding that the Station Parcel, which by definition includes the land, will be assessed in 2020 based upon its fair market value at that time; and

WHEREAS, Exelon has been negotiating with representatives of the City of Zion, Zion Township, Zion Elementary School District No. 6, Zion-Benton Township High School District No. 126, Zion

Park District, Zion-Benton Public Library District, Lake County Forest Preserve District, College of Lake County Community College District No. 532, North Shore Sanitary District and Lake County (collectively, the "Taxing Districts") to resolve the controversy surrounding the real estate tax assessment for 2014 concerning the Station Parcel and future assessments; and

WHEREAS, the Taxing Districts and Exelon have negotiated the Zion Power Station Parcel Agreement ("Agreement") attached herewith and incorporated herein, pursuant to 35 ILCS 200/9-45 regarding the real estate tax assessment for the Station Parcel for tax years 2014 through 2019; and

WHEREAS, after a review of the Agreement, the Taxing Districts have determined that it is in the best interest of the taxpayers to enter into the attached Agreement; and

WHEREAS, it is necessary that each of the governing bodies of the Taxing Districts approve and the corporate authorities of Exelon execute the Agreement and submit it to the Nineteenth Judicial Circuit for its review; and

WHEREAS, none of the provisions of the Agreement shall be of any force or effect until approved by the Nineteenth Judicial Circuit Court; and

WHEREAS, the Financial and Administrative Committee of the Lake County Board has reviewed the Agreement and concur with the recommendation that said Agreement would be approved.

NOW, THEREFORE, BE IT RESOLVED, by this County Board of Lake County, Illinois that the County Board Chair is hereby authorized to execute the Zion Power Station Parcel Agreement on behalf of Lake County.

DATED at WAUKEGAN, LAKE COUNTY, ILLINOIS THIS 9 day of June, 2015.