WATCHDOGS: Zion's nuclear fallout; still reeling from '98 closing



The Zion nuclear power plant, which was closed in 1998. | Ashlee Rezin / Sun-Times John Carpenter

Workers are methodically dismantling the once-mighty Zion nuclear power plant. Just up the road in the far north suburb, a different kind of dismantling is taking place.

The small Lake County city of Zion — founded at the start of the last century as the new "City of God" and once a bustling little blue-collar bedroom community — is staggering. Crushed by the loss of half its property-tax base when the power plant was closed in 1998, it faces

the foreseeable future as a nuclear waste dump.

It wasn't supposed be this way.

"The understanding was that Zion would have a nuclear power plant on the lakefront and that it would be an eyesore but that there could be some economic development down the line," Zion Mayor Al Hill says. "The understanding also was that, when they closed it, it would be gone. That's not what happened."

What happened is that no one can agree on where to put about 1,000 tons of spent nuclear fuel rods. So they will stay, sealed inside stainless steel canisters, encased in concrete and stacked in neat rows of 20-feet-tall cylinders on a concrete pad, all huddled together along some of Illinois' most beautiful lakefront shoreline.

"We are," Hill says, "a nuclear waste dump."

It's easy to ignore the plight of one small town. But nuclear plants in downstate Clinton and the Quad Cities, threatened with closing earlier this year, narrowly escaped the same fate. There are 11 nuclear reactors in six locations across Illinois and 99 operating across the nation. According to the Nuclear Regulatory Commission, there are 16 nuclear reactor sites nationwide that have been shut down and are being decommissioned — being taken apart, a lengthy process because nearly everything being dismantled is somewhat radioactive and requires special care in handling.

According to the most optimistic estimates, the radioactive waste now being stored in Zion will be there until at least the next decade, perhaps much longer. That's left the city to try to lure new economic development with a nuclear-waste storage facility occupying its most valuable waterfront land.

If you think this is no big deal, talk to Sharon and Don Bourdeau, who, after running the Zion Antique Mall and Toy Mart for more than 20 years, just closed the store at the end of last month. Until then, it was an easy place to visit, as parking is never a problem these days in the heart of downtown Zion, which has nearly as many empty storefronts as it does working businesses.

"This place used to be booming," says Don Bourdeau, 81.



Don and Sharon Bourdeau, who, for more than 20 years, owned the Zion Antique Mall. | Ashlee Rezin / Sun-Times

He ticks off the names of long-gone factories in nearby Kenosha, Wis., and Waukegan.

"Nash. American Motors. American Steel and Wire. Johnson Motors. Johns Manville. That's where people worked, and that's when all these buildings went up," he says, gesturing at the commercial buildings lining Sheridan

Road.

The Bourdeaus, who put their impressive inventory of antiques on sale for half price before closing, hope to sell the building they've owned since 1994. They aren't happy that the nuclear waste is being kept at the power-plant site less than a mile away.

"I think it's just stupid to leave it there," Sharon Bourdeau says. "Why would they put it next to the water supply for millions of people?"

Terry Boone is a landlord with 21 rental units in Zion. He doesn't worry about the safety of the nuclear waste. It's the perception that bothers him. When it comes to businesses thinking about locating in Zion or making real estate investments, "That's definitely a negative," Boone says.

As far back as 1982, the federal government began collecting a nuclear-waste fee, paid by electricity users through fees tacked on to their bills and earmarked to pay for disposal of the radioactive spent fuel rods. Starting in 1998, the U.S. Department of Energy was supposed to start picking up spent fuel rods and taking them for storage, according to Everett Redmond, senior director of fuel cycle and technology policy for the Nuclear Energy Institute, a power industry trade group.

But there was no ready storage option to hold them. So power companies were forced to store more and more of them at their own facilities and eventually successfully sued to recover costs for this storage.

It seemed like the problem might have been solved in 2008, when the Energy Department applied for a license to store the radioactive waste in Nevada's Yucca Mountain. But the Obama administration halted that plan in 2010, citing flaws with the location.

Congress has vacillated since then between trying to restart the Yucca proposal and backing interim storage options, including one in Texas. Redmond says industry leaders are hopeful the Trump administration will move more quickly on what to do about nuclear-waste storage nationally.

Redmond points out that all U.S. taxpayers, not just electricity rate-payers, are paying for nuclear-waste disposal thanks to the industry's successful lawsuit against the Energy Department. As of last year, more than \$5 billion has been paid out of that judgment fund, he says, with some estimates suggesting that number could



climb to almost \$30 billion before a storage solution is found.

A spokesman for Commonwealth Edison parent Exelon won't comment, saying the matter of future waste storage in Zion is in the hands of the federal government. Exelon technically doesn't own or control the waste, which is now in the hands of Zion Solutions, the company hired to dismantle the plant. Once the dismantling is complete, though, the facility — and the nuclear waste — will return to the control of Exelon until the federal government comes up with a solution.

David Kraft, director of the Nuclear Energy Information Service, an opponent of nuclear power, has been monitoring the situation in Zion. He says that, while the on-site waste storage there isn't ideal, his organization doesn't support an interim storage plan.

"The responsible position is to leave it there and only move it once," he says — to a permanent storage location.

But Kraft acknowledges that's probably decades away, given the time it's likely to take to find and build a suitable permanent storage location.

Local governments, meanwhile, are still reeling from the loss of the \$19.5 million a year in property taxes that ComEd paid while the plant was running. That's fallen to \$1.5 million a year since the plant closed, according to Hill, who's been pushing for the federal government to compensate Zion for having the waste stored there. He says that would at least help city and school officials to lower property taxes, which have skyrocketed since the ComEd plant closed.

Those higher taxes and the fall in home values since the housing crisis of 2008 have turned Zion into a more transient community than it used to be.

"People can't sell their houses because of the taxes," Sharon Bourdeau says. "So they rent them."

Zion has about 6,700 housing units, most of them modest single-family homes. But about two-thirds of them are now rental units, according to Hill.

"That's not healthy," the mayor says. "A healthy number for a community like ours would be about 20 percent."



Zion Mayor Al Hill: "It's not the low-income people that are the problem. It's the landlords." | Ashlee Rezin / Sun-Times

Hill says that while many landlords maintain their rental properties, a growing number, having scooped up foreclosed properties at bargain basement prices, do not.

"It's not the low-income people that are the problem," he says. "It's the

landlords."

A recent check of *Zillow.com* — a website that lists and tracks properties for sale— found 113 homes for sale by traditional listings in Zion, 31 in foreclosure and 102 in "pre-foreclosure," in which the mortgage-holder is in default and foreclosure proceedings are imminent.

By contrast, neighboring Winthrop Harbor had 50 homes for sale, with five in foreclosure and 15 in preforeclosure.

Hill says the city is trying to crack down on landlords with a rental inspection program. He's getting pushback, though, from landlords led by Boone, who sees the move as big-government intrusion and little more than a revenue grab. Boone has sued the city to stop the program and says more than 80 other landlords have joined his suit.

Boone says the problem isn't landlords not wanting to keep up their properties but, rather, property taxes that swallow up profit margins.

"I have a very difficult time at the end of every month finding money available to reinvest," he says.

Boone says the city should have planned for the closing of the power plant by doing more to hold down its expenses and should be doing more now to attract new businesses.

But Hill says, "We can't bring new businesses in because our taxes are too high, and our taxes are too high because we can't bring new businesses in."

Ed Leech owns the Cake Box and Café, a popular bakery in Zion that was started by his father and grandfather in 1948. He says he's still making money despite the decline the city still hasn't recovered from since the closing of the ComEd plant 18 years ago.

Still, business is down even as property taxes are up.

"I can't complain," Leech says. "But my good days aren't quite as good as the used to be. And my bad days are a little bit worse."

Sitting at one of his café tables, working his way through a pile of paperwork, Leech is philosophical.

"Everything changes over time," he says. "You can't stand still. But we used to take a ton of doughnuts down to the ComEd plant."■