



# NEWS RELEASE

## Illinois Environmental Protection Agency

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## **Illinois EPA Issues Construction Permit to General III, LLC *Imposes Special Permit Conditions to Strictly Regulate Facility Operations***

SPRINGFIELD —The Illinois Environmental Protection Agency has issued a construction permit to General III, LLC, along with a document responding to public comments.

The Illinois Environmental Protection Act *requires* the Illinois EPA to issue a construction permit to an applicant upon a showing that the proposed facility or equipment will not cause a violation of the Act or Pollution Control Board regulations. In such a case, as it is here, the Illinois EPA does not have discretion to deny the permit, but does have the authority to enhance the permit by adding special conditions tailored to the proposed operation – accordingly, such conditions have been included in this particular permit. In addition, an applicant’s past or on-going compliance issues must be addressed through the Agency’s compliance and enforcement programs. This stems from past court rulings holding that permitting and enforcement are two separate functions, that enforcement cannot be conducted through permitting activity, and that the Agency must not deny or base a permit decision upon mere allegations that a source is violating or has violated applicable requirements.

General III is a scrap metal recycling facility to be located at 11600 South Burley Avenue in Chicago. The permit application was received by Illinois EPA on September 25, 2019, and multiple extensions of the statutory decision deadline were obtained to allow sufficient time to review the application and allow for public input. The facility will receive recyclable material for shredding and processing that will be regulated and controlled through the permit’s terms and conditions.

The facility is being moved from its existing location in the Lincoln Park area to the southeast side of Chicago. The Illinois EPA has no legal role in the zoning or siting of facilities; where a facility may locate is the exclusive determination of units of local government, in this case, the City of Chicago. The move of the current General II facility comes following a deal reached in September 2019 between the City of Chicago and General Iron Industries, the owner and operator of the existing General II facility, and RMG Investment Group, LLC, the owner and operator of the new facility. The term sheet signed by those parties calls for the facility to cease operations at its Lincoln Park location by the end of 2020 in conjunction with the relocation of the facility to the new southeast side location. The Illinois EPA was not a party to this agreement. The existing General II location is adjacent to Sterling Bay’s new Lincoln Yards development.

## General III, LLC/2

The Illinois EPA is aware of the high level of public concern over this project. To allow for oral and written public comments while still adhering to social distancing requirements brought on by the COVID-19 pandemic, the Illinois EPA held an afternoon and evening “virtual” public hearing to provide two opportunities for participation and also opened a written public comment period of 77 days to accept public input over the proposed draft permit. Over the two public hearings, which were accessible by video web connection, smartphone app, or telephone dial-in, a total of 21 citizens provided oral comments and 203 people participated. At the close of the written comment period, 329 people provided written statements or other submissions or exhibits.

After consideration of all public comments and further review of the permit application and proposed project, the Illinois EPA strengthened the protections afforded by the permit and fulfilled its obligations under law and to the public to create a strict, enforceable, and comprehensive permit.

The special permit conditions impose additional requirements upon General III including:

- Limitations on emissions and hours of operation based on modeling of hazardous metallic pollutants
- Extensive initial and follow-up emissions testing, including capture efficiency testing
- Installation and operation of monitoring devices
- Development and implementation of Fugitive Emissions Operating Program
- Development and implementation of Feedstock Management Plan
- Development and implementation of Operation and Maintenance Plan
- Addition of LEL Monitoring System to the exhaust from the capture system associated with the Hammermill Shredder System, and associated recordkeeping and reporting requirements to prevent explosions at the Regenerative Thermal Oxidizer

A copy of the final construction permit and responsiveness summary are available on the Illinois EPA’s website. Cut and paste the below links into your web browser.

<https://external.epa.illinois.gov/WebSiteApi/api/PublicNotices/GetAirPermitDocument/6380> and

<https://external.epa.illinois.gov/WebSiteApi/api/PublicNotices/GetAirPermitDocument/6381>

However, before the company may begin operations at the Burley Avenue location, it must also receive permits from the City of Chicago, including one pursuant to the City’s new rules for large recycling facilities. The new rules, effective June 5, 2020, implement the City’s Recycling Facility ordinance and include additional requirements that General Iron must meet in order to begin operating at the southeast side location. The City’s rules provide minimum standards for what is required in a permit application, including information to demonstrate that the facility will be designed and operated in a manner that prevents public nuisance and protects the public health, safety, and the environment. The rules also contain location, operational, and design standards applicable to large recycling facilities such as General III, including vehicle and traffic requirements, noise monitoring, air quality standards, and air emission monitoring.

The Illinois EPA recognizes the growing concerns surrounding the location and relocation of emissions sources in communities or neighborhoods that have historically been disproportionately impacted by industrial pollution, particularly areas identified as environmental justice areas. Environmental justice policies and activities should be continually evolving. Oftentimes multiple state and local entities play a role throughout the process of zoning and permitting a facility. The Illinois EPA is committed to continuing to work with legislators, environmental justice advocacy groups, municipalities including the City of Chicago, and other interested parties to identify and implement additional state and local policies to expand statutory protections for environmental justice communities.

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