

PEKIN **Daily Times**

Winpak deal to be sealed on Monday

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PEKIN - The new heat-seal packing plant agreement will be sealed Monday when the Pekin City Council approves the sale of 20 acres of property in Riverway Business Park.

Pekin City Manager Dennis Kief said Winpak Heat Seal Corp. plans to break ground for the new plant in a few months. The company manufactures foil covers for containers. The plant will be located on Illinois Route 29 in front of the Hanna Steel plant.

Winpak is relocating its Peoria operation to Pekin, transferring its existing positions there and adding at least another 20 in new hires over the next several years.

The company will pay \$300,000 for the property.

Construction of the new 75,000-square-foot facility is expected to be completed by the end of the year. The company will spend \$10.75 million on the new plant, which includes the price of the land.

The council will hold a public hearing, as required by state law, on the sale of the property at its meeting at 5:30 p.m. Monday at the Pekin Municipal Building, 111 S. Capitol St.

The company is buying double the land it will need for the plant because it plans to expand in the future. Its Canadian plant has limited space for expansion and may move some of its operations to Pekin in the future, Kief has said previously.

Kief said the company will provide plans for the plant in the next few weeks

Major customers of Winpak include General Mills, Cadbury Schweppes, JM Smuckers, Dannon and other food companies.

The plant will be in Pekin's enterprise zone, which can qualify the company for a 100 percent property tax abatement for five years, a sales tax break from the state on materials purchased in the state of Illinois for the project, a waiver of some permit fees, a utility tax exemption and an employment tax credit.

Company officials had looked at other locations, but found everything it needed in Pekin's business park.

"Due to the success of the present operation over the past several years, Winpak has outgrown the present facility in downtown Peoria," said Tim Johnson, Winpak vice president and general manager, in a letter to Kief in December.

"Alternative locations, both in central Illinois and other locations in North America were considered. The local EDC was instrumental in retaining the business in the tri-county area. They were particularly instrumental in identifying the Riverway Business Park in Pekin as the best alternative."

The business park now has only 35 acres remaining for development. The city annexed 160 acres adjoining the business park in December. The city purchased the property earlier this year.