



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Text

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PROPOSED ORDINANCE AMENDMENT

FOR THE ESTABLISHMENT OF AN ENTERPRISE ZONE SUBJECT TO THE ENTERPRISE ZONE ACT OF THE STATE OF ILLINOIS.

BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 14- COMMUNITY DEVELOPMENT, ARTICLE VI- LINCOLN AND 394 CORRIDOR ENTERPRISE ZONE, Sec. 14-59. Through Sec. 14-68. of the Cook County Code is hereby enacted as Follows:

Sec. 14-59. - Establishment of enterprise zone and enterprise zone designation.

~~The existing Ford Heights/Sauk Village is hereby amended to include~~In accordance with the Enterprise Zone Act (20 ILCS 655/1 et seq.), the Board of Commissioners hereby establishes an Enterprise Zone in cooperation with the Village of Beecher, the City of Chicago Heights, the Village of Crete, the Village of Ford Heights, the Village of Glenwood, the Village of Olympia Fields, the Village of Sauk Village, the Village of South Chicago Heights, the Village of Steger (the "Municipalities"), the County of Cook, and the County of Will as designated units of local government of said Enterprise Zone. ~~Additionally, the area of this . Each have areas within their respective legal boundaries that are economically distressed and would benefit from private sector investments under the Enterprise Zone Act. This~~ Enterprise Zone is also hereby altered to consist of the area described in the map Exhibit A and the legal description Exhibit B, attached hereto. This area of the amended zone is within the 15-square mile limit required for enterprise zones that include more than four jurisdictions per declared and established pursuant to authority granted by the Illinois Enterprise Zone Act (20 ILCS 655/4). Exhibits A and B are hereby incorporated herein by reference and become part of this Section as if fully stated herein. ~~This amended existing, as amended. The Enterprise Zone shall be is named and known designated as the Lincoln and 394 Corridor Enterprise Zone. These amendments shall not be effective until and; said Enterprise Zone is further subject and contingent on approval by the Illinois Enterprise Zone Board and certification by the Illinois Department of Commerce and Economic Opportunity upon application approves this amended designating Ordinance, issues an amended certification for the Lincoln and 394 Corridor Enterprise Zone and record a certified copy of the amended Ordinance with Cook County Recorder of Deeds and file the same with the Illinois Secretary of State.~~

Sec. 14-60. - Term.

The term of the ~~amended~~ Enterprise Zone ~~remains unchanged~~ is 15 years, subject to the effective date of certification of the Enterprise Zone and will expire on December 31, 2021, unless amended or otherwise lawfully changed ~~the potential ten-year renewal prescribed under the Illinois Enterprise Zone Act.~~

Sec. 14-61. - Description of zone.

The area of the designated Enterprise Zone is outlined in a map in Exhibit A and described in the legal description in Exhibit B, which exhibits are attached to the Ordinance [codified in this Article] and incorporated herein by reference.

Sec. 14-62. - Qualifications.

The Counties and the Municipalities ~~have declared~~ hereby declare and affirm ~~affirm~~ that the amended Enterprise Zone Area is qualified for designation as an Enterprise Zone in accordance with the provisions of the Act, as described herein:

- (a) The Zone Area is a contiguous area;
- (b) The Zone Area comprises an area larger than one-half square mile and not more than 15 square miles in total area;
- (c) The Zone Area is a depressed area;
- (d) The Zone Area addresses a reasonable need to encompass portions of more than one municipality and adjacent unincorporated areas of the County;
- (e) The Zone Area exceeds the minimum requirement of meeting three of the ten criteria specified in the Illinois Enterprise Act (20 ILCS 655/4(f));
- (f) ~~On the 29th day of October, 2015;~~ On the 17th day of September, 2019, a public hearing was conducted pursuant to a notice duly published in a newspaper of general circulation, within the Zone Area, not more than 20 days nor less than five days before the hearing date; and
- (g) The Zone Area satisfies any additional criteria stated in the Illinois Enterprise Zone Act or established by the Rules of the Illinois Department of Commerce and Economic Opportunity;

All of the above-stated findings are supported, sustained and consistent with the substantive materials contained in Exhibit C, attached here to, and incorporated herein by reference.

Sec. 14-63. - Incentives.

The State of Illinois, Counties and Municipalities offer incentives designed to encourage businesses in the private sector to locate or expand within an Enterprise Zone, subject to terms, conditions, rules and legal limitations in the law:

(a) *State incentives.*

(1) Sales Tax Exemption. A six and one-quarter-percent state sales tax exemption is permitted on building materials to be used in an Enterprise Zone. Materials must be permanently affixed to the property and must be purchased from a qualified retailer.

(2) Enterprise Zone Machinery and Equipment Consumables/Pollution Control Facilities Sales Tax Exemption. A six and one-quarter-percent state sales tax exemption on purchases of tangible personal property to be used in the manufacturing or assembly process or in the operation of a pollution control facility within an Enterprise Zone is available. Eligibility is based on a business making an investment in an Enterprise Zone of at least \$5,000,000.00 in qualified property that creates a minimum of 200 full-time equivalent jobs, a business investing at least \$40,000,000.00 in a zone and retaining at least 2,000 jobs, or a business investing at least \$40,000,000.00 in a zone which causes the retention of at least 80 percent of the jobs existing on the date it is certified to receive the exemption.

(3) Enterprise Zone Utility Tax Exemption. A state utility tax exemption on gas, electricity and the Illinois Commerce Commission's administrative charge and telecommunication excise tax is available to businesses located ~~in~~ Enterprise Zones. Eligible businesses must make an investment of at least \$5,000,000.00 in qualified property that creates a minimum of 200 full-time equivalent jobs in Illinois, an investment of \$20,000,000.00 that retains at least 1,000 full-time -equivalent jobs, or an investment of \$175,000,000.00 that creates 150 full-time equivalent jobs in Illinois. The majority of the jobs created must be located in the Enterprise Zone where the investment occurs.

(4) Enterprise Zone Investment Tax Credit. A state investment tax credit of one-half of one percent is allowed a taxpayer who invests in qualified property in a Zone. Qualified property includes machinery, equipment and buildings. The credit may be carried forward for up to five years. This credit is in addition to the regular one-half of one percent Investment tax credit, which is available throughout the state, and up to one-half of one percent credit for increased

employment over the previous year.

(5) Contribution Deduction. Businesses may deduct double the value of a cash or in-kind contribution to an approved project of a Designated Zone Organization from taxable income.

(b) Local Incentives and Fees.

Local governments, through the assistance and coordination of the Enterprise Zone Administrators, may provide a variety of local incentives to further encourage economic growth and investment within enterprise zones. The incentives offered are determined by counties and municipalities. The following local Enterprise Zone incentives are hereby offered:

(1) Abatement or reimbursement of 50 percent of the municipal portion of property taxes on new improvements for industrial, commercial, or institutional properties during the first five years following the completion of these improvements. This benefit will not be applicable if the project investor is also the recipient of tax relief for this property under the terms of a tax increment finance (TIF) agreement or other substantial property tax abatement for this property provided by a unit of local government.

(2) Waiver of 50 percent of initial building permit fees for industrial, commercial, or institutional projects.

(3) The Enterprise Zone will provide officials of the Counties and the that are signatories to the Amended Intergovernmental Agreement, which is Attachment D to this Ordinance [codified in this Article], with certain written documentation and materials relative to additional incentives, including public or not -for -profit financing and workforce development programs, which municipal officials may make available to the project developer, and other interested individuals. There is no representation that the available documents and materials include all incentives and programs available to the project.

The Zone Administrator shall file a copy of the amended Enterprise Zone's fee schedule with the Department of Commerce and Economic Opportunity by April 1 of each year. The Zone Administrator may charge up to one-half of one percent) of the cost of building materials of the project associated with the Enterprise Zone, provided that a maximum fee of no more than \$50,000.00 is permitted (20 ILCS 655/8.2(c)).

Sec. 14-64. - ~~Zone administrator.~~ Intergovernmental Agreement.

The Zone Administrator will be responsible for the day -to -day operation of the amended Enterprise Zone, including the following duties:

(a) Supervise the implementation of the provisions of this Intergovernmental Agreement and the Illinois Enterprise Zone Act.

(b) Act as a liaison between the Counties, Municipalities, the Illinois Department of Commerce Economic Opportunity, Designated Zone Organizations, and other State, Federal and local agencies, whether public or private.

(c) Conduct an ongoing evaluation of the Enterprise Zone Programs and submit evaluative reports at least annually to the Council.

(d) Promote the coordination of other relevant programs, including, but not limited to, housing, community and economic development, small business, financial assistance and employment training within the Enterprise Zone.

(e) Recommend qualified Designated Zone Organizations to the Enterprise Zone Governing Council (the Council).

(f) Have other such duties as specified by the Council, including the appointment of authorized personnel as appropriate, to assure the smooth operation of the Enterprise Zone.

The ~~amended~~ Enterprise Zone shall be governed, managed and operated in accordance with the ~~Amended~~ Intergovernmental Agreement between the ~~Counties and Municipalities and Counties~~ as set forth in Exhibit D, which is attached hereto and incorporated into this Ordinance, by reference. The ~~proposed amendments to said Ford Heights/Sauk Village Enterprise Zone is binding only if approved in whole or part by the Illinois Department of Commerce and Economic Opportunity, including certification and recording as required under the Illinois Enterprise Zone Act.~~ The ~~Amended attached~~ Intergovernmental Agreement (Exhibit D) was presented to the legislative body of Cook County and its attorney for review. The President is hereby authorized to execute this Agreement, on behalf of the County of Cook. Further, the President or his or her designee is authorized to sign all documents reasonably necessary in the furtherance of the Joint Application for said ~~amended~~ Enterprise Zone, to be filed with the Illinois Department of Commerce and Economic Opportunity.

Sec. 14-65. ~~Intergovernmental agreement.~~ Policy Statement.

The Municipalities and the Counties hereby declare and affirm that businesses using the Enterprise Zone will be encouraged to hire and utilize other businesses owned by individuals who are minorities, women, and persons with disabilities as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575/0.01, et seq.). To further that goal, the Municipalities and the Counties agree as follows:

a. Creation of Policy Statement for Development: The Municipalities and the Counties hereby establish the Enterprise Zone Policy Statement that expresses a desire for the commitment from Businesses within the Enterprise Zone to encourage the development of business entities owned by minorities, women, and persons with disabilities.

b. Creation of Policy Statement for Hiring: The Municipalities and the Counties hereby establish the Enterprise Zone policy statement that expresses a desire and commitment from businesses to promote the hiring of individuals who are minorities, women, and persons with disabilities.

c. Creation of Policy Statement for Using other Businesses: The Municipalities and the Counties hereby establish the Enterprise Zone policy statement that expresses a desire and commitment from businesses to promote the utilization of other businesses that are minority-owned, women-owned, or owned by persons disabilities.

d. Creation of a Database - The Zone Administrator will create a database and list of local businesses that are owned by minorities, women, and persons with disabilities This information will be used as a matchmaking tool for Zone participants to diversify their subcontracting by utilizing businesses owned by minorities, women, and persons with disabilities.

e. Publish and Distribute Promotional Materials - The Zone Administrator will publish a brochure that will be provided to business owners within the Zone that explains the benefits of utilizing businesses owned by minorities, women, and persons with disabilities.

f. Conduct Promotional Activities - The Zone Administrator will conduct at least one public meeting each year to describe the Zone benefits for businesses owned by minorities, women, and persons with disabilities.

g. Incorporate Promotional Statement - The Zone Administrator will provide a statement on project applications, promotional materials, and Zone publications that the Municipalities and the Counties of the Zone encourage the use of businesses owned by and the hiring of minorities, women, and people with disabilities.

h. Examine Participation - The Zone Administrator will establish measurements of participation of firms and persons defined under the Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575/0.01, et. seq.) to determine the effectiveness of these efforts and how they might be revised to optimize their impact.

i. Incorporate Affidavits from Zone Participants - The Zone Administrator will request that business applicants for

Zone benefits submit a signed Affidavit about their efforts to promote and encourage the utilization of businesses that are owned by minorities, women, and persons with disabilities.

Sec. 14-66. - Severability.

This Ordinance [Article] and every provision thereof shall be considered severable and the invalidity of any section clause, paragraph, sentence or provision of this Ordinance [Article] will not affect the validity of any other portion of this Ordinance [Article].

Sec. 14-67. - Publication and effective date.

Cook County is hereby authorized to publish ~~this~~the Ordinance [codified in this Article] in pamphlet form. This Ordinance [Article] shall be in full force and effect from after its passage, approval and publication as subject to approval, certification and recording required by law.

Effective date: This ordinance shall be in effect immediately upon adoption .