



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Details (With Text)

File #:	14-4275	Version:	1	Name:	AN AMENDMENT TO THE CAL-SAG HISTORIC WATERWAYS ENTERPRISE ZONE
Type:	Ordinance Amendment	Status:		Status:	Approved
File created:	7/10/2014	In control:		In control:	Finance Subcommittee on Real Estate and Business and Economic Development (Inactive. There is now a Business and Economic Development Committee and real estate items in the Asset Management Committee)
On agenda:	7/23/2014	Final action:		Final action:	9/10/2014
Title:	PROPOSED ORDINANCE AMENDMENT AN AMENDMENT TO THE CAL-SAG HISTORIC WATERWAYS ENTERPRISE ZONE				

BE IT ORDAINED, by the Cook County Board of Commissioners that Chapter 14. Community Development, Article III. Cal-Sag Historic Waterways Enterprise Zone, Section 14-23. Programs Established, Section 14-25. Duration of Zone, and Section 14-27. Enterprise Zone fee, are hereby amended as follows:

Sec. 14-21. Establishment of enterprise zone.

(a) The Board of Commissioners hereby establishes inclusion in the Cal-Sag Historic Waterways Enterprise Zone in accordance with the Enterprise Zone Act (20 ILCS 655/1 et seq.). The Enterprise Zone, as amended, is established in cooperation with the City of Blue Island, the Villages of Alsip and Robbins, as certified by the Illinois Department of Commerce and Community Affairs, now known as the Illinois Department of Commerce and Economic Opportunity (IDCEO) on July 1, 1985, and amended on April 5, 1990, to include the Villages of Calumet Park and Dixmoor, and again on November 15, 1991, to include Cook County, and again on September 30, 1992, to include additional parcels in the Village of Alsip, and further amended on October 19, 1993, to limit the sales tax exemption.

(b) The Enterprise Zone meets the qualifications of Section four of the Enterprise Zone Act (20 ILCS 655/5 (qualifications for enterprise zones)), as described herein:

- (1) It is a contiguous area;
- (2) It comprises a minimum of one-half square mile and not more than 15 square miles;
- (3) It is depressed area;
- (4) It satisfies the criteria of the Illinois Department of Commerce and Community Affairs;
- (5) Reasonable need is hereby established for an Enterprise Zone which covers portions of more than one municipality.

Sec. 14-22. Boundaries of zone.

The area identified is described herein by legal description and map, attached hereto, incorporated herein by reference, and made a part of the application and marked Exhibit A. Exhibit A includes the description and map.

Sec. 14-23. Programs established.

The following programs are established and authorized within the Zone in accordance with the Illinois Enterprise Zone Act (20 ILCS 655/1 et seq.) and the provision of this article.

- (1) Sales tax. Each retailer who makes a qualified sale of building materials to be incorporated into industrial or commercial real estate located within the Enterprise Zone by remodeling, rehabilitation, or new construction, may deduct receipts from such sales when calculating the tax imposed as defined in Section 2 of the Retailers' Occupation Tax Act (35 ILCS 120/2). The term "qualified sale" means a sale of building materials that will be incorporated into real estate as part of a building project for which a Certificate of Eligibility for Sales Tax Exemption has been issued by the administrator of the Enterprise Zone in which the building project is located. To document the exemption allowed under this section, the retailer must obtain from the purchaser a copy of the Certificate of Eligibility for Sales Tax Exemption issued by the administrator of the Enterprise Zone into which the building materials will be incorporated.

- a. The Certificate of Eligibility for Sales Tax Exemption must contain:
 1. A statement that the building project identified in the Certificate meets all the requirements for the building material exemption contained in the Enterprise Zone ordinance of the jurisdiction in which the building project is located;
 2. The location or address of the building project; and
 3. The signature of the administrator of the Enterprise Zone in which the building project is located.
- b. In addition, the retailer must obtain certification from the purchaser that contains:
 1. A statement that the building materials are being purchased for incorporation into real estate located in an Illinois Enterprise Zone;
 2. The location or address of the real estate into which the building materials will be incorporated;
 3. The name of the Enterprise Zone in which that real estate is located;
 4. A description of the building materials being purchased; and
 5. The purchaser's signature and date of purchase.
- (2) Fee reduction. Businesses applying for a zoning application within the Enterprise Zone will be charged one-half of the normal zoning permit application fees than businesses located outside of the Enterprise Zone. All other permit fees and inspections will otherwise continue to follow existing laws.
- (3) Urban shopsteading. An Urban Shopstead program is hereby established and in accordance with Section 10, subsection C of the Illinois Enterprise Zone Act.
- (4) Program targeting. The County agrees to use its eligibility and resources to make available Economic Development Administration programs, Small Business Administration programs, Jobs Partnership Training Act assistance and such other Federal and/or State programs as may be eligible.
- (5) Development streamlining. The County shall in its fullest capacity cooperate with and provide assistance to the Zone Administrator concerning answers to developers' questions regarding county rules, regulations, cost time lines, processes, etc.
- (6) Additional incentives. This section does not prohibit the County from extending additional tax incentives or reimbursements for businesses in the Enterprise Zone or throughout the County.
- (7) County cooperation with Designated Zone Organizations. The County will cooperate with Designated Zone Organizations to assist them in their operation.
- (8) Revised term. Upon the effective date of this amending ordinance, all incentives and benefits previously offered shall continue for the revised term of the Cal-Sag Enterprise Zone for the following two groups:
 - (a) Business enterprises which are receiving benefits or incentives in the Cal-Sag Enterprise Zone on the effective date of this amending ordinance;
 - (b) Business enterprises or expansions which are proposed or under development on the effective date of this amending ordinance, if the business enterprise demonstrates that:
 1. the proposed business enterprise or expansion has been committed to location or expanding in the zone;
 2. substantial or binding financial obligations have been made;
 3. such commitments have been made in reasonable reliance on the benefits and programs which would have previously been available because of the enterprise zone.

Sec. 14-24. Zone administration.

- (a) In accordance with the joint nature of the Enterprise Zone, a management organization is hereby established and known as the Cal-Sag Historic Waterways Enterprise Zone Administrative Entity (CSHWEZAE). The CSHWEZAE shall be the advocate and advisor for Enterprise Zone development and shall select designated zone organizations. The CSHWEZAE shall consist of the chief elected official (CEO) of each participating governmental entity, the City of Blue Island, the Village of Alsip, the Village of Dixmoor, the Village of Robbins, the Village of Calumet Park and Cook County, and one representative appointed by each CEO. A quorum shall be considered two-thirds majority of participating governmental entities and a vote shall require a two-thirds majority of participating governmental entities. Before any measure is undertaken, a Zone Administrator shall be selected by a two-thirds vote of the CEO's of the participating governmental entities and a vote shall require a two-thirds majority of participating governmental entities. The Zone Administrator shall have the duties and responsibilities described in Section 8 of the Illinois Enterprise Zone Act 20 ILCS 655/8 (enterprise zone administration) and shall be such.

(b) Designated Zone Organizations shall be selected by a quorum and two-thirds vote of the CSHWEZAE in accordance with Subsection (a) of this section and shall meet the following standards:

(1) The membership of Designated Zone Organization shall consist substantially of residents of the Enterprise Zone;

(2) The Board of Directors of a Designated Zone Organization shall be elected by the members of the organization and the majority of the Board of Directors shall consist of residents of the Enterprise Zone;

(3) A Designated Zone Organization shall meet the requirements of Section 501(c)(4) of the Internal Revenue Code;

(4) A Designated Zone Organization shall have as its primary purpose to perform the functions of Section 8 of the Illinois Enterprise Zone Act (20 ILCS 655/8) for the benefit of the residents and businesses of the Enterprise Zone.

Sec. 14-25. Duration of zone.

The program established herein shall expire 30 years from the date of IDCEO original certification of the Enterprise Zone (July 1, 1985).

The duration or term of the Cal-Sag Enterprise Zone shall be consistent with the terms and conditions outlined in the "Illinois Enterprise Zone Act" (20 ILCS 655/1 et. eq.), as amended, commencing on the date of certification by the State as in said Act provided and terminating upon the expiration or non-renewal of the State Enterprise Zone certification as outlined in said Act provided.

With the amendment of the "Illinois Enterprise Zone Act" (20 ILCS 655/1 et. eq.) by Legislation under the provisions of Public Act 97-905, the certification of Cal-Sag Enterprise Zone has been extended through July 1, 2016.

Sec. 14-26. Authority of County.

The President of the Board will have the authority to execute such documents as may be necessary for making required applications including but not limited to the programs set forth in Section 14-23 and to execute such other documents on behalf of the County as are consistent with the intent and purpose of this article. The President of the Board will serve on the CSHWEZAE and will appoint an additional member to serve on the CSHWEZAE.

Sec. 14-27. Enterprise Zone fee-Established; levied.

(a) A fee equal to one-tenth of one percent of the proposed costs of new construction, remodeling or rehabilitation shall be levied on commercial and industrial projects of such scope and nature for which a building permit is required and is located within the boundaries of the Cal-Sag Historic Waterways Enterprise Zone.

(b) Said fee shall be levied at the time of building permit issuance and shall be paid directly to the Cal-Sag Enterprise Zone.

Each participating applicant project shall contribute an administrative fee equal to one percent on one percent .1%, effective with the revised term, the administrative fee shall be changed to one half of a per cent (0.5%) of the building materials cost, with a maximum fee of no more than \$50,000.00, as prescribed in the August 7, 2012 Legislation amending the Illinois Enterprise Zone Act (20-ILCS655/8.2 new) under the provisions of Public Act 97-905.

Sec. 14-28. Same-Administration; audit.

(a) The Zone Administrator is hereby authorized and directed, for and in behalf of the County, to prepare, execute and deliver all documents and instruments which may be desirable or necessary in order to give effect to this article.

(b) The Zone Administrator shall submit to the County Board an annual audit by an independent certified accounting office not later than 90 days from the close of the fiscal year.

Effective date: This ordinance shall be in effect immediately upon adoption (or give specific date)

Sponsors: TONI PRECKWINKLE (President), JOAN PATRICIA MURPHY

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
9/10/2014	1	Finance Subcommittee on Real	recommend for approval	Pass

Estate and Business and
Economic Development (Inactive.
There is now a Business and
Economic Development
Committee and real estate items in
the Asset Managment Committee)

9/10/2014 1 Board of Commissioners approve

7/23/2014 1 Board of Commissioners refer Pass

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- (c) Effective with the Revised Term provided in Section 14-23(8), the Enterprise Zone fee (administrative fee) shall be changed to one half of a per cent (0.5%) of the building materials cost, with a maximum fee of no more than \$50,000.00, as prescribed in the August 7, 2012 Legislation amending the Illinois Enterprise Zone Act (20-ILCS655/8.2 new) under the provisions of Public Act 97-905.

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