

ORDINANCE NO. 2014-04

AN ORDINANCE ESTABLISHING AN
ENTERPRISE ZONE

WHEREAS, the State of Illinois Enterprise Zone Act, 20 ILCS 655/1 – 10 (the "Enterprise Zone Act" or the "Act") authorizes Illinois municipalities to designate, by ordinance, an area within its jurisdiction as an Enterprise Zone, subject to review by the Illinois State Enterprise Zone Board (the "Enterprise Zone Board");

WHEREAS, the area described in Exhibit "A", attached hereto, and made a part hereof, is the proposed Enterprise Zone (the "Proposed Zone") as submitted to the Department of Commerce and Economic Opportunity (the "DCEO") for acceptance and review;

WHEREAS, per the Act, the Proposed Zone is a contiguous area of not less than one half square mile or more than 12 square miles; being approximately 13.4 Square Miles;

WHEREAS, the Proposed Zone is also located within the jurisdictions of the City of Mt. Vernon, Illinois ("City"), The Village of Waltonville, Illinois ("Waltonville"), and the County of Jefferson County, Illinois (the "County"); each of which shall be included in the Proposed Zone upon having approved separate designating ordinances of their own;

WHEREAS, the Village of Dix ("Dix") finds that the Proposed Zone meets the minimum criteria to be designated as an Enterprise Zone as per the Act;

WHEREAS, the City, Waltonville, Dix, and County shall enter into an Intergovernmental Agreement (the "Agreement") outlining their mutual participation in the Proposed Zone;

WHEREAS, the Village, pursuant to the Act, has conducted at least one public hearing within the Proposed Zone area, with proper notice as required, to discuss the information as required by the Act, and;

WHEREAS, the Village desires to authorize real property tax abatement within the Proposed Zone, pursuant to 35 ILCS 200/18-170.

NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE OF DIX, IN JEFFERSON COUNTY, ILLINOIS, as follows:

- Section 1. The name of the Proposed Zone shall be the Mt. Vernon/Waltonville/Dix/Jefferson County Enterprise Zone (the "Zone").
- Section 2. The Zone shall be effective for a period of fifteen (15) years as per the Act, and shall be subject to review by the Enterprise Zone Board after thirteen (13) years to be considered for an additional ten (10) year extension.
- Section 3. Upon designation as an Enterprise Zone by the State of Illinois, a Designated Zone Organization (the "DZO") shall be formed. The DZO Board will be comprised of representatives of the Jefferson County Board, the Mayor of Mt. Vernon, the Village of Waltonville, and the Village of Dix. The DZO will be responsible for all decisions within the Zone. The members of the DZO Board will serve terms as set by their respective City, County, or Village as desired. The DZO may:

- (a) Provide or contract for provisions of services including, but not limited to, crime watch patrols within zone neighborhoods, volunteer day care centers, or other types of public services as provided by ordinance or regulation;
- (b) Provide a forum for business, labor, and government action on Enterprise Zone innovations and activities;
- (c) Receive title to publicly owned land;
- (d) Solicit and receive contributions to improve the quality of life in the Enterprise Zone and surrounding areas, and;
- (e) Perform such other functions as the DZO Board may deem appropriate and not inconsistent with the Act.

Section 4. The position of "Zone Administrator" is hereby created to oversee the operations in the Zone for the DZO. The Zone Administrator shall be the City Manager of the City. The duties of the Zone Administrator shall be performed in addition to the regular duties of the position of City Manager. In the event the City Manager shall cease to serve as Zone Administrator, then the DZO shall fill the vacancy by appointment, provided that the Zone Administrator must be an employee or officer of the City or the County. The Zone Administrator shall have the following responsibilities and powers:

- (a) Act as the liaison between the City, Waltonville, Dix, County, other local governments, and/or private agencies and interests, and the Enterprise Zone Board and/or DCEO.
- (b) Supervise the implementation of the provisions of this ordinance and the Act regarding the Zone.
- (c) Act as program manager for the day-to-day operations of the Zone and appoint personnel as appropriate to assure efficient operation of activities in the Zone.
- (d) Collect data and conduct an ongoing evaluation of the Zone and submit the necessary reports, as per the requirements of and in accordance with the Act, to all organizations involved in providing services, incentives, or other participating activities of the Zone, including the DCEO and the DZO.
- (e) Promote and coordinate other relevant programs including, but not limited to housing, community and economic development, small business assistance, and employment training within the Zone.

Section 5. Participating units of local government, including the City, Waltonville, and the County, that provide incentives in the Zone are expected to adopt, by ordinance or resolution, certain tax abatements and other incentives that will mirror those provided by the Village, as outlined in Sections 6 through 8, below, to the greatest extent possible, and as administered by the Agreement by and among the City, Waltonville, Dix, and County. All ordinances or resolutions authorizing any abatements or incentives from any participating taxing bodies and the Agreement are to be included with the Proposed Zone application.

Section 6. The Village hereby authorizes and directs the County Clerk of Jefferson County to abate ad valorem taxes on real property located within the Zone, upon which new improvements have been constructed or upon which existing improvements have been renovated or rehabilitated, subject to the following:

- (a) The abatement does not apply to areas of the Zone that are contained within a Tax Increment Financing ("TIF") Redevelopment Area that has been established pursuant to 65 ILCS 5-11-74.4 (the "TIF Act").
- (b) Any abatement shall not exceed the amount attributable to the construction of the improvements and the renovation or rehabilitation of existing improvements made on real property in the Zone.
- (c) Said abatement is allowed only for improvements, the nature and scope of which building permits are required and obtained.
- (d) Such abatement shall extend to real property improvements made by business establishments of a use classified by the Jefferson County Supervisor of Assessments as industrial, manufacturing, or commercial. Although the City, Waltonville, Dix, or County may zone property in the Zone with certain classifications, it is the use described and not the zoning classification that shall be controlling.
- (e) Residential uses, residential property, or any residential dwellings located within the Zone are not eligible for property tax abatement.
- (f) Except as hereinafter provided, abatement for industrial, manufacturing, or commercial property located within the Zone shall be at the rate of one hundred percent (100%) of the value of improvements for the assessment year in which the improvements are made and except as hereinafter provided, the abatement shall be at the rate of fifty percent (50%) of the value of the improvements for one (1) assessment year immediately following the year in which the improvements are made.
- (g) Notwithstanding the language within paragraph (f) above, the abatement for a hospital improvement shall be at the rate of one hundred percent (100%) of the value of the improvements for the assessment year in which the improvements are made and one hundred percent (100%) for two (2) assessment years immediately following the year in which improvements are made. The term "Hospital" shall mean any facility licensed under the Illinois Hospital Licensing Act (210 ILCS 85/) and defined with Section 3 of said Hospital Licensing Act and such definition shall be strictly construed and shall not include improvements consisting only of doctor offices and medical clinics; which shall be subject to the abatement as provided within paragraph (f) above.
- (h) Notwithstanding the language within paragraph (f) above, improvements consisting of manufacturing improvements or warehousing and distribution centers (excluding distribution improvements which consist of a terminal for transferring goods from one form of transportation to another form of transportation for distribution – which shall be subject to paragraph (f) above) abatement shall be determined by the following investment and job levels, only upon verification by the Zone Administrator and/or certified public accountants as approved by the Zone Administrator:
 - 1. If the investment in real property and/or capital expenditures equals or exceeds five million dollars (\$5,000,000), or if the improvement creates one hundred (100) jobs, the abatement will be at the rate of one hundred percent (100%) of the value of the improvements for the assessment year in which the improvements are made and one hundred percent

(100%) for nine (9) assessment years immediately following the year in which the improvements are made.

2. If the investment in real property and/or capital expenditures is less than five million dollars (\$5,000,000) but more than one million dollars (\$1,000,000) then the abatement shall be at the rate of one hundred percent (100%) of the value of the improvements for the assessment year in which the improvements are made and one hundred percent (100%) for two (2) assessment years immediately following the assessment year in which the improvements are made.
 3. In the investment in real property and/or capital expenditures is one million dollars (\$1,000,000) or less, then the abatement shall be as provided within paragraph (f) above.
- (i) The abatements provided herein shall continue and be in full force as set forth within this Section for any improvements which are completed within the term of the Enterprise Zone as specified in Section 2 above.

Section 7. The Village hereby authorizes claims for point of sale exemption of its sales tax by each retailer whose place of business is within the corporate limits of the Village, and who makes a sale of building materials to be incorporated into real estate located in the Zone by remodeling, rehabilitation, or new construction, may deduct receipts from such sales when calculating the tax imposed pursuant to the "Municipal Retailers' Occupation Tax Act"; provided, however, that such remodeling, rehabilitation, or new construction is of the nature and scope for which a building permit is required and has been obtained. The incentive provided for by this Section shall commence the first day of the calendar month following the month in which the Proposed Zone is designated and certified, and shall continue for the term of the Zone.

Section 8. No permit fees imposed by Section 5.9 of the Revised Code of Ordinances of the Village or similar permit fees imposed by Ordinances of the City, Waltonville, or the County shall be assessed for permits issued for property or improvements located within the Zone which qualify for Enterprise Zone benefits.

This ordinance shall become effective following certification of the Mt. Vernon/Waltonville/Dix/Jefferson County Enterprise Zone by the State of Illinois.

Passed this 9th day of December, 2014.

Village President

ATTEST:

Village Clerk