

ORDINANCE NO. 2014-05

**AN ORDINANCE TO AUTHORIZE VILLAGE OF DIX, ILLINOIS,
TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT BY AND AMONG
THE CITY OF MT. VERNON, ILLINOIS, THE VILLAGE OF WALTONVILLE, ILLINOIS, THE
VILLAGE OF DIX, ILLINOIS, AND JEFFERSON COUNTY, ILLINOIS**

WHEREAS, the Village of Dix (the "Village") has found and determined and does hereby declare that it is in the best interest of the Village and appropriate to enter into an Intergovernmental Agreement (the "Agreement") with the Village of Waltonville, Illinois ("Waltonville"), the Village of Dix, Illinois ("Dix"), the City of Mt. Vernon, Illinois (the "City"), and Jefferson County, Illinois (the "County") for the purposes of applying and designating an Illinois Enterprise Zone (the "Proposed Zone"), and;

WHEREAS, it is necessary and appropriate that this Ordinance be enacted to authorize the Village to enter into the Agreement.

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

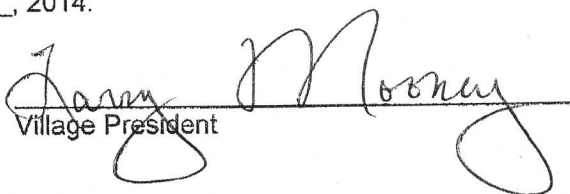
Section 1. The recitals contained above in the preamble of this Ordinance are hereby incorporated herein by reference, the same as if set forth in this Section of this Ordinance verbatim, as findings of the Village Board of the Village of Dix, Jefferson County, Illinois.

Section 2. That the Agreement by and among the City, Waltonville, Dix, and the County, a copy of which is attached hereto and made a part hereof, is hereby accepted and approved by the Village.

Section 3. The Village Board of the Village of Dix, Jefferson County, Illinois does hereby authorize and direct the Village President to execute and deliver the Agreement entitled "Mt. Vernon/Waltonville/Dix/Jefferson County, Illinois Enterprise Zone Intergovernmental Agreement", in the form attached hereto, containing various provisions and agreements by and among the City, Waltonville, Dix, and County regarding the application of the Proposed Zone and, in the event the Enterprise Zone is designated as such by the State of Illinois, the operation of, and incentives provided in, the Zone, in as many parts as the Village President shall determine. The Village Clerk of the Village of Dix, Jefferson, Illinois is hereby authorized and directed to attest the same authorized Agreement in the form attached and affix thereto the corporate seal of the Village, without further action or approval by the corporate authorities of the Village.

Section 4. This Ordinance shall be in full force and effect following its passage as provided by law.

Passed this 9th day of December, 2014.


Village President

ATTEST:


Village Clerk

**MT. VERNON/WALTONVILLE/DIX/JEFFERSON COUNTY, ILLINOIS
ENTERPRISE ZONE
INTERGOVERNMENTAL AGREEMENT**

THIS AGREEMENT is made and entered into by and among the City of Mt. Vernon, Illinois (the "City"), the Village of Waltonville, Illinois ("Waltonville"), the Village of Dix, Illinois ("Dix"), and Jefferson County, Illinois (the "County") effective on the last date signed by a party hereto.

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, 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, the Proposed Zone is located within parts of the jurisdictions of the City, Waltonville, Dix, and the County;

WHEREAS, the City, Waltonville, Dix, and the County have adopted respective ordinances designating the Proposed Zone, pending review by the DCEO and approval by the Enterprise Zone Board;

WHEREAS, development opportunities exist for the region that may not exist solely within the City, Waltonville, Dix, or the County and will require mutual cooperation to develop such projects in the Proposed Zone;

WHEREAS, the Intergovernmental Cooperation Act (PA 78-785) as enacted by the State of Illinois, provides that public agencies may jointly exercise powers, privileges, or authority, and;

WHEREAS, the City, Waltonville, Dix, and the County will operate the Proposed Zone in accordance, and in conformance with the Act, this Agreement, and the requirements of the DCEO.

NOW, THEREFORE, IN CONSIDERATION OF THE RECITALS HEREINABOVE SET FORTH, IT IS HEREBY AGREED BY AND AMONG THE CITY, WALTONVILLE, DIX, AND THE COUNTY, 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 area described in Exhibit "A", attached hereto, and described in the designation ordinances passed by the City, Waltonville, Dix, and the County, representing a contiguous area of no more than 15 square miles and located within the jurisdiction of 4 or more counties or municipalities, per the Act; (the area being approximately 13.4 square miles), is hereby affirmed as the Zone.
- Section 3. 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 4. 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 5. 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 6. Participating units of local government, including Waltonville, Dix, 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 City, as outlined in Sections 7 through 9 below, to the greatest extent possible, and as administered by this 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 7. As indicated in the City's Zone designation ordinance, the City has authorized 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 3 above.

Section 8. As indicated in the City's Zone designation ordinance, the City has authorized claims for point of sale exemption of its sales tax by each retailer whose place of business is within the corporate limits of the City, 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 9. As indicated in the City's Zone designation ordinance, no permit fees imposed by Section 5.9 of the Revised Code of Ordinances of the City or similar permit fees imposed by Ordinances of Waltonville, Dix, or the County shall be assessed for permits issued for property or improvements located within the Zone which qualify for Enterprise Zone benefits.

Section 10. The parties agree and understand that additional actions may be necessary from time to time from each governing body and that the parties will act expeditiously and in harmony when such actions are necessary. The parties also understand that all local legislation affecting the Zone must be essentially uniform in scope, content, and form.

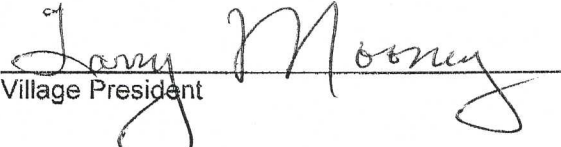
Section 11. Nothing in the performance of this Agreement shall impose any liability for claims against any party other than claims for which liability may be imposed by the Illinois Local Governmental and Governmental Employees Tort Immunity Act, 745 ILCS 10/1-101 *et seq.* Each party to this Agreement shall be responsible for

its own actions in providing services under this Agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other parties.

Section 12. Amendments to this Agreement shall be made in writing and signed by all parties before submission to DCEO for final approval.

This Agreement shall become effective on the last date signed by a party hereto and 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