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**THE CITY OF BLUE ISLAND  
COOK COUNTY, ILLINOIS**

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**ORDINANCE  
NUMBER 2014-054**

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

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**DOMINGO F. VARGAS, Mayor  
Randy Heuser, City Clerk**

<b>1st Ward</b>	<b>CHRISTINE BUCKNER</b>
<b>2nd Ward</b>	<b>LETICIA VIEYRA</b>
<b>3rd Ward</b>	<b>NANCY RITA</b>
<b>4th Ward</b>	<b>MARCIA STONE</b>
<b>5th Ward</b>	<b>JANICE OSTLING</b>
<b>6th Ward</b>	<b>DEXTER JOHNSON</b>
<b>7th Ward</b>	<b>NANCY THOMPSON</b>

<b>TOM HAWLEY</b>
<b>CHARISSA BERRINI</b>
<b>KEVIN DONAHUE</b>
<b>CANDACE CARR</b>
<b>KENNETH PITTMAN</b>
<b>JAIRO FRAUSTO</b>
<b>JAMES JOHANSON</b>

**Aldermen**

## **ORDINANCE NUMBER 2014-054**

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

**WHEREAS**, the State of Illinois Enterprise Zone Act (20 ILCS 655/1 et seq) provides for the creation of enterprise zones to encourage private sector investments in economically distressed areas throughout the State; and

**WHEREAS**, The Village of Alsip, The City of Blue Island, The Village of Calumet Park, The City of Country Club Hills, The Village of Dixmoor, The Village of East Hazel Crest, The Village of Homewood, The City of Harvey, The Village of Hazel Crest, The City of Markham, The Village of Merrionette Park, The City of Oak Forest, The Village of Phoenix, The Village of Robbins, The Village of Worth, The Village of Midlothian, and the County of Cook are organized and existing under the laws of that State of Illinois. Each have areas within their respective legal boundaries that are economically distressed and would benefit from private sector investments under the Enterprise Zone Act; and

**WHEREAS**, the aforesaid Municipalities and County have joined in the collective pursuit of a joint Enterprise Zone, subject to approval of their respective governing bodies; and

**WHEREAS**, it is determined that it is in the best interest of the citizens of the County and Municipalities to establish an Enterprise Zone and encourage private sector investments within said Enterprise Zone; and

**WHEREAS**, prior to filing of an application for approval of the designation of an Enterprise Zone under the Illinois Enterprise Zone Act, it is required that the County Municipalities adopt an Ordinance designating the proposed Enterprise Zone; and

**NOW, THEREFORE, BE IT ORDAINED BY THE City Council of the City of Blue Island, as follows:**

#### **SECTION 1: INCORPORATION BY REFERENCE**

The above Recitals are incorporated herein by reference and become part of this Section as if fully stated herein.

#### **SECTION 2: ENTERPRISE ZONE DESIGNATION**

An Enterprise Zone is hereby declared and established as an Enterprise Zone pursuant to authority granted by the Illinois Enterprise Zone Act, as amended, subject to the approval by the Illinois Enterprise Zone Board and certification by the Illinois Department of Commerce and Economic Opportunity. This Enterprise Zone is hereby named and designated as the Cal Sag Enterprise Zone.

### **SECTION 3: TERM**

The term of the Enterprise Zone is 15 years, subject to the effective date of certification of the Enterprise Zone and the potential 10-year renewal prescribed under the Illinois Enterprise Zone Act.

### **SECTION 4: DESCRIPTION OF ZONE**

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

### **SECTION 5: QUALIFICATIONS**

The County and the Municipalities hereby declare and affirm that the Zone Area is qualified for designation as an Enterprise Zone in accordance with the provisions of the Act, and it is found:

- a. The Zone Area is a contiguous area;
- b. The Zone Area comprises an area larger than one-half square miles and not more than Fifteen 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 (1) municipality and adjacent unincorporated areas of the County;
- e. The Zone Area exceeds the minimum requirement of meeting 3 of the 10 criteria specified in the Illinois Enterprise Act (20ILCS 655/4 (f));
- f. On the 30th day of October, 2014, 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 5 days before the hearing date;
- 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.

### **SECTION 6: 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:

## STATE INCENTIVES

- **Sales Tax Exemption** - A 6.25 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 in the state of Illinois.
- **Enterprise Zone Machinery and Equipment Consumables/Pollution Control Facilities Sales Tax Exemption** - A 6.25 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 million in qualified property that creates a minimum of 200 fulltime-equivalent jobs, a business investing at least \$40 million in a zone and retaining at least 2,000 jobs, or a business investing at least \$40 million 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.
- **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 million in qualified property that creates a minimum of 200 full-time equivalent jobs in Illinois, an investment of \$20 million that retains at least 1,000 full-time-equivalent jobs, or an investment of \$175 million 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.
- **Enterprise Zone Investment Tax Credit** - A state investment tax credit of 0.5 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 0.5 percent Investment tax credit, which is available throughout the state, and up to 0.5 percent credit for increased employment over the previous year.
- **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.

## 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:

- a) Abatement of 50% of the municipal portion of property taxes on new improvements for the first five years following the completion of these improvements for industrial or commercial properties, or for residential properties of twelve or more housing units, so long as the residential property remains under one ownership. This benefit will not be applicable if the project investor is also the recipient of tax relief under the terms of a tax increment finance (TIF) agreement or other substantial property tax abatement provided by a unit of local government.
- b) Waiver of 50% of building permit or zoning application fees for industrial or commercial properties, or for residential properties of twelve or more housing units
- c) The Enterprise Zone will provide officials of municipalities that are signatories to the Intergovernmental Agreement, which is Attachment D to this Ordinance, 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 program available to the project.

The Zone Administrator shall file a copy of the 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 0.5% (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 is permitted (20 ILCS 655/8.2 (c)).

#### **SECTION 7: INTERGOVERNMENTAL AGREEMENT**

The Enterprise Zone shall be governed, managed and operated in accordance with the Intergovernmental Agreement between the County (s) and Municipalities as set forth in Exhibit D, which is attached hereto and incorporated into this Ordinance, by reference. The attached Intergovernmental Agreement was presented to the legislative body of the City of Blue Island and its attorney for review and a resolution authorizing the execution of said agreement was passed by the Council on November 25, 2014. Further, the Mayor of the City of Blue Island or designee is directed to sign all documents reasonably necessary in the furtherance of the Joint Application for said Enterprise Zone, to be filed with the Illinois Department of Commerce and Economic Opportunity.

#### **SECTION 8: SEVERABILITY**

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

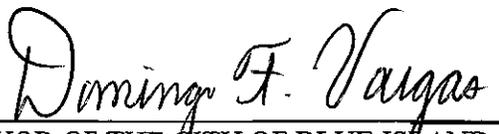
#### **SECTION 9: PUBLICATION AND EFFECTIVE DATE**

The City Clerk is hereby authorized to publish this Ordinance in pamphlet form. This Ordinance shall be in full force and effect from after its passage, approval and publication as required by law.

ADOPTED this 25th day of November, 2014, pursuant to a roll call vote as follows:

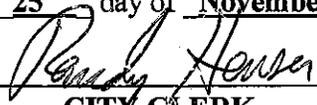
	YES	NO	ABSENT	PRESENT	ABSTAIN
Buckner-Cheatle			X		
Hawley	X				
Vieyra	X				
Berrini			X		
Rita	X				
Donahue			X		
Stone	X				
Carr	X				
Ostling	X				
Pittman	X				
Johnson	X				
Frausto	X				
Thompson	X				
Johanson	X				
Vargas (Mayor)					
TOTAL	11		3		

APPROVED by the Mayor on November 25, 2014.

  
MAYOR OF THE CITY OF BLUE ISLAND,  
COUNTY OF COOK AND STATE OF ILLINOIS

ATTESTED and Filed in my office this

25<sup>th</sup> day of November, 2014.

  
CITY CLERK

PUBLISHED in pamphlet form this

25<sup>th</sup> day of November, 2014

  
CITY CLERK

STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF COOK        )

**CERTIFICATION**

I, RANDY HEUSER, DO HEREBY CERTIFY THAT I am the duly elected City Clerk of the City of Blue Island, Illinois, and as such City Clerk, I am the keeper of the minutes and records of the Proceedings of the City Council of said City and have in my custody the ORDINANCES and BOOKS of the records of said City.

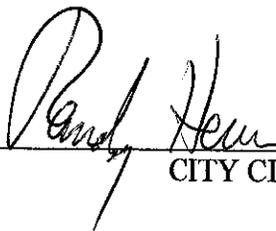
I DO FURTHER CERTIFY that the attached and foregoing is a true and correct copy of the certain **ORDINANCE: AN ORDINANCE FOR THE ESTABLISHMENT OF AN ENTERPRISE ZONE SUBJECT TO THE ENTERPRISE ZONE ACT OF THE STATE OF ILLINOIS.**

**ORDINANCE NO. 2014 – 054** which was adopted at a regular meeting of the City Council of the City of Blue Island, Illinois held on the **25th day of November, 2014;** that at said meeting **11** Aldermen were present; that at said meeting, on motion duly made and seconded that the Ordinance did pass and on the roll being called the vote of each Aldermen present on the question of the passage of said Ordinance was duly and separately taken by Ayes and Nays and their names and votes recorded in the minutes of the proceedings of said City Council; that it appears from such record that **11** Alderman voted Aye and **0** Alderman voted Nay and **0** Alderman voted Abstain and **3** Alderman Absent.

I DO FURTHER CERTIFY that the original Ordinance of which the foregoing is a true copy, is entrusted to my care for safe keeping, and that I am the lawful keeper of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of the **25th day of November, 2014.**

CORPORATE SEAL

  
\_\_\_\_\_  
CITY CLERK

STATE OF ILLINOIS     )  
                                  )  
COUNTY OF COOK       )     ss.

CERTIFICATE

I, Randy Heuser, certify that I am the duly elected and acting Municipal Clerk of the City of Blue Island of Cook County, Illinois.

I further certify that on **November 25, 2014** the Corporate Authorities of such municipality passed and approved Ordinance No. **2014 - 054** entitled: **AN ORDINANCE FOR THE ESTABLISHMENT OF AN ENTERPRISE ZONE SUBJECT TO THE ENTERPRISE ZONE ACT OF THE STATE OF ILLINOIS.**

Which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. **2014 - 054** including the Ordinance and a cover sheet thereof, was prepared, and a copy of such Ordinance posted in the municipal building commencing on **November 25, 2014** and continuing for at least ten days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the municipal clerk.

DATED at Blue Island, Illinois, this **25th** day of **November, 2014.**

(SEAL)

  
\_\_\_\_\_  
Municipal Clerk