

ORDINANCE NO. 2021-~~0~~-21-89

AN ORDINANCE AMENDING DESIGNATION AND OPERATION CRITERIA IN THE BLOOMINGTON NORMAL ENTERPRISE ZONE

WHEREAS, on November 9th, 2015, the corporate authorities of the County of Ford adopted Ordinance No. 15-44 (the "Initial Designating Ordinance"), designating an enterprise zone known as the "Bloomington Normal Enterprise Zone" (the "Zone"); and,

WHEREAS, the corporate authorities of the County of Ford, the County of McLean, the Town of Normal and the City of Bloomington (collectively, with the City of Gibson City, "Designating Units of Government") each adopted substantially identical Designating Ordinances; and,

WHEREAS, the Designating Units of Government entered into an Intergovernmental Agreement dated as of December 5, 2014 (the "Initial IGA") setting forth mutually agreed property tax abatements available to certain types of businesses located within the Zone, as set forth in the Initial Designating Ordinances; and,

WHEREAS, the Initial Designating Ordinances and the Bloomington Normal Enterprise Zone were certified by the Illinois Department of Commerce and Economic Opportunity (the "DCEO") to begin operations on September 30, 2016, in accordance with the Illinois Enterprise Zone Act (20 ILCS 655/1, *et seq.*), hereafter referred to as the "Act"; and,

WHEREAS, subsequent amendments to the Designating Ordinance and IGA have been made for certain boundary amendments to the Bloomington Normal Enterprise Zone, as documented in the current legal description of the Zone in Exhibit "A", and

WHEREAS, the Designating Units of Government recognize a need to adapt local incentives to meet the needs of existing employers and targeted investors and industry sectors in the region; and,

WHEREAS, the Administrator of the Zone, on behalf of Designating Units of Government, held duly noticed joint public hearing on April 5, 2021, regarding amendments to the Designating Ordinances and the IGA to change the qualifying criteria for, and the terms of the property tax abatements available within, the Zone; and,

WHEREAS, the Designating Units of Government, have determined and concur that it is desirable and necessary to amend the Designating Ordinances and to enter into an amended IGA to change the qualifying criteria for, and the terms of the property tax abatements and related incentives available within, the boundaries of the Zone to meet the needs and improve the competitiveness of the region; and,

WHEREAS, local participating taxing bodies will be requested to implement similar property tax abatement policies in the Zone; and,

WHEREAS, certain operational, oversight and administrative processes and guidelines are being enhanced in the Zone; and,

WHEREAS, certain parts of the Zone lie within the boundaries of the County of Ford;

NOW, THEREFORE, BE IT RESOLVED by the Chairman and County Clerk of Ford County, Illinois, as follows:

Section 1: Incorporation of Recitals. The foregoing recitals are hereby incorporated into and made a part of this Ordinance as if fully set forth herein.

Section 2: Amendment of Designating Ordinance Incentives.

The SECOND Section Four of the original Designating Ordinance, titled "Incentive", is hereby deleted in its entirety, replaced with the following text, and shall hereafter read as follows:

SECTION FIVE. Incentives.

A. **Definitions.** In addition to any definitions in the introductory clause or recitals, as used in this Ordinance:

- 1) "Abatement Increment" means the amount of property tax to a Designating Unit that is attributed to the New Improvements in any Assessment Year and that is payable to that Designating Unit in the subsequent Taxable Year.
- 2) "Abatement Period" means the period during with the project is entitled to receive an abatement under this Ordinance.
- 3) "Assessment Year" means the year in which property taxes are assessed on the project property.
- 4) "Eligible Project" means a commercial project that meets all of the following criteria:
 - a. the project is located within the Zone;
 - b. the project consists of New Improvements;
 - c. the project will result in the creation of 25 or more full-time-equivalent jobs, which will be maintained throughout the Abatement Period; and
 - d. the project will result in an investment of \$250,000 or more in New Improvements.
- 5) "Grantee" means any entity who owns or operates a project applying for or receiving an abatement or other financial consideration under this Ordinance.

- 6) "New Improvement" means an improvement on the project property that has been newly constructed or that has been renovated or rehabilitated.
- 7) "Non-Retail Project" means an Eligible Project that is not a Retail Project.
- 8) "Retail Project" means an Eligible Project:
 - a. that is a restaurant or drinking establishment;
 - b. that is a hotel or motel; or
 - c. that is any other establishment that derives 50% or more of its revenue from the retail sale of tangible personal property.
- 9) "Significant Impact Business" means a Non-Retail Project that meets one or more of the following criteria:
 - a. The project will conduct the majority of its operations in one or more of the following industries: agribusiness; logistics and warehousing; information technology; information technology manufacturing; clean technology manufacturing; finance; insurance; or real estate.
 - b. The project will create jobs with an average income, across all new positions, that is greater than the per-capita income level of the county in which the project is located, as determined by the most recent American Community Survey 5-Year estimates.
 - c. The project will be located in a targeted area designated by the municipality in which the project is located or if the project is located in an unincorporated area by the county in which the project is located. The targeted areas may include officially-designated brownfields; distressed areas, as defined by the federal New Markets Tax Credit program; Opportunity Zones; designated "shovel-ready" sites; or similar areas.
 - d. The project will derive more than 65% of its revenue from foreign exports.
- 10) "Substantially Complete" means that a certificate of occupancy has been issued for the New Improvements.
- 11) "Taxable Year" means the year in which property taxes incurred in the Assessment Year are payable.
- 12) "Zone Administrator" means the Administrator as defined in section NINE of the Amendment of Zone Administrator Language found later in the document.

B. Property Tax Abatement for Retail Projects.

- 1) A Retail Project is eligible to receive a three-year property tax abatement from the applicable Designating Unit of Government in the following amounts:
 - a. for the first Taxable Year: 100% of the Abatement Increment; and
 - b. for the second Taxable Year: 75% of the Abatement Increment; and
 - c. for the third Taxable Year: 50% of the Abatement Increment.
- 2) The property tax abatement under this section will begin on the first Taxable Year that follows the first Assessment Year in which the Substantially-Complete New Improvements have been assessed.
- 3) In no event shall any abatement of property taxes on any parcel exceed the amount attributable to the construction of the improvements or the renovation or rehabilitation of existing improvements on such parcel.
- 4) The property tax abatement under this section will terminate on the earlier of (i) the completion of the third Taxable Year after the property tax abatement is awarded or (ii) the termination or decertification of the Zone.

C. Property Tax Abatement for Non-Retail Projects:

- 1) A Non-Retail Project is eligible to receive a five-year property tax abatement from the applicable Designating Unit of Government in the following amounts:
 - a. for the first Taxable Year: 100% of the Abatement Increment; and
 - b. for the second Taxable Year: 80% of the Abatement Increment; and
 - c. for the third Taxable Year: 60% of the Abatement Increment; and
 - d. for the fourth Taxable Year: 40% of the Abatement Increment; and
 - e. for the fifth Taxable year: 20% of the Abatement Increment.
- 2) The property tax abatement under this section will begin on the first Taxable Year that follows the first Assessment Year in which the Substantially-Complete New Improvements have been assessed.