

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.



- 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 fifth Taxable Year after the abatement is awarded or (ii) the termination or decertification of the Zone.

**D. Additional Non-Retail Project Economic Development Incentive Payment.**

- 1) For each year, after the first, that a Non-Retail Project receives a property tax abatement under Section Five(C), that project is also eligible to receive an additional economic-development incentive payment from each Designating Unit in which the project is located if that project meets one or more of the following criteria:
  - a. At least 80% of the workers hired to construct or renovate the New Improvements had their primary residence in McLean County or Ford County at the time of the construction or renovation and completed a Department of Labor Industry-Recognized Apprenticeship Program.
  - b. At least 80% of the new employees hired as full-time employees by the company as a result of the project have their primary residence in McLean County or Ford County.
  - c. Of the new employees hired as full-time employees as a result of the project, the company will hire women and minorities at a rate that is 120% of the average women and minority workers compared to total workers, as defined by the U.S. Census Bureau, for the county in which the project is located.
  - d. The company will create and maintain an apprenticeship program that involves Heartland Community College or one or more of the secondary school districts in either McLean County or Ford County.
- 2) The amount of the incentive payment in any Taxable Year will be the lesser of:
  - a. An amount equal to 20% of the Abatement Increment for that Designating Unit for each of the criteria met under Section Five(D)(1) ; or
  - b. An amount that, when added to the amount of the property tax abatement for that Taxable Year under Section Five(C), is equal to 100% of the Abatement Increment for that Designating Unit.

- 3) Each Designating Unit making an incentive payment under this Section Five(D) shall pay the incentive payment from its general revenues or other authorized funds. The incentive payment will be paid in one or more installments during the Taxable Year in which the incentive is due.

**E. Property Tax Abatement for Significant Impact Businesses.**

- 1) An eligible Significant Impact Business is eligible to receive a five-year property tax abatement from the applicable Designating Unit. The amount of the abatement will be 100% of the Abatement Increment for that Taxing District for each Taxable Year in the Abatement Period.
- 2) The 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) The abatement under this Section will terminate on the earlier of (i) the completion of the fifth Taxable Year after the abatement is awarded or (ii) the termination or decertification of the Zone.
- 4) A Significant Impact Business that receives an abatement under this Section may not receive any other abatement under this Ordinance.

**F. Restrictions.** No abatement may be granted for any Abatement Increment attributed to any of the following:

- 1) Residential development.
- 2) Self-storage facilities or mini warehouse facilities.
- 3) Automotive service stations.
- 4) car wash facilities.
- 5) Commodity scrap processing.
- 6) Convenience food and beverage store.
- 7) Gasoline station.
- 8) Package liquor store.
- 9) Recycling facility.
- 10) Cash advance lender, pay-day lender, title-loan lender, or similar project.
- 11) Any cannabis facility authorized under the Compassionate Use of Medical Cannabis Program Act or under the Cannabis Regulation and Tax Act.

12) Any adult-entertainment venue, including adult bookstores.

13) Wind or solar energy project.

- G. **TIF Districts.** No project may receive an abatement under this Ordinance if it is located within a project redevelopment area created under the Tax Increment Allocation Redevelopment Act (65 ILCS 5/74.4-1 et seq.)

H. **Limits on relocation.**

- 1) No project may receive an abatement under this Ordinance if that project terminates operation in one Designating Unit and initiates operations in another Designating Unit unless the Zone Administrator finds that the terminated location contained inadequate space, had become economically obsolete, or was no longer a viable location for the project.
- 2) For the purpose of this section, of this paragraph, termination means a closing of a project that is directly related to the opening of the same operation or like project owned or operated by more than 50% of the original ownership.

- I. **Library levies.** Taxes levied by a municipality for a public library under the Illinois Local Library Act (75 ILCS 5/) will not be abated under this Ordinance unless that public library agrees to abate by separate resolution.

J. **Local Labor requirements.**

- 1) If the costs for the New Improvements will exceed \$4 million, then to be eligible for an abatement under this Ordinance, the Grantee must submit a Local-Labor plan to the EDC before the construction or renovation of the improvements. The Local-Labor plan must provide for:
  - a. The equitable opportunity for local labor contractors with apprenticeship programs to submit bids for the skilled craft work required for the New Improvements.
  - b. The planned use of at least 80% Local Labor by any non-local contractor who is awarded work related to the New Improvements.
- 2) The Zone Administrator may waive the requirement for a Local-Labor plan if the Grantee can show that any or all of the following conditions apply:
  - a. Certain required skilled resources are not sufficiently available in the Local Labor Market Area.

- b. An awarded bid to a lower cost resource provider requires the use of non-Local Labor in order to meet bid requirements.
  - c. The requirement for the use of Local Labor would be prohibited by any applicable government-funding requirements or would otherwise be unlawful.
- 3) For the purpose of this section "Local Labor" means any worker whose primary residence is located within the Local Labor Market Area as established for the Bloomington Normal Enterprise Zone application.

**K. Application.**

- 1) All Grantees requesting an abatement under this Ordinance must apply to the Zone Administrator. The applications must be in the form and manner determined by the Zone Administrator.
- 2) The Zone Administrator will evaluate all applications and determine whether the project meets the requirements for the abatement.
- 3) The Zone Administrator shall notify each party whether an application is approved or denied.

**Section 3: Section Number Change**

SECTION FIVE of the original Designating Ordinance, titled "Additional Incentives Allowed", is hereby changed to SECTION SIX and the remainder of the current language remains intact.

**Section 4: Section Number Change**

SECTION SIX of the original Designating Ordinance, titled "Conformance to codes, ordinances and regulations", is hereby changed to SECTION SEVEN and the remainder of the current language remains intact.

**Section 5: Section Number Change**

SECTION SEVEN of the original Designating Ordinance, titled "Application and administration", is hereby changed to SECTION EIGHT. The current language remains intact with the exception of the removal of subsection (iii) which is hereby deleted.

**Section 6: Amendment of Zone Administrator Language**

SECTION EIGHT of the original Designating Ordinance, titled "Zone Administrator", is hereby deleted in its entirety, replaced with the following text, and shall hereafter read as follows:

SECTION NINE: **ADMINISTRATOR.** The Designating Units hereby appoint the President/CEO of the Economic Development Council of Bloomington Normal Area ("**BNEDC**") to serve, ex officio, as the



Administrator of the Enterprise Zone ("**Zone Administrator**"). Each Designating Unit agrees to take any necessary action to ensure that the Zone Administrator has the authority to perform his or her duties as set forth in this Ordinance. In selecting an Administrator, each Designating Unit has one vote, which shall be cast by the chief executive officer of each Designating Unit (mayor or county board chairman, as applicable). Each Administrator continues to hold the position until he or she resigns or dies or until the chief executive officers of at least 3 of the Designating Units vote to discharge him or her.

The duties and responsibilities of the Bloomington Normal Enterprise Zone Administrator are as follows:

- A. Administration. The Zone Administrator shall administer the IGA and related ordinances and operate and manage the Zone. All appeals from any decisions or determination of the Zone Administrator will be taken to the Zone Advisory Board for final resolution.
- B. Records. The Zone Administrator shall maintain records associated with Zone activities and projects and necessary to the preparation of reports required by the State of Illinois.
- C. Report Preparation. The Zone Administrator shall prepare all reports required by law.
- D. Advisor and Staff to the Enterprise Zone Advisory Board. The Zone Administrator shall serve as advisor and staff to the Zone Advisory Board. The Administrator shall prepare agendas, minutes, handle correspondence, and maintain the records of the Enterprise Zone Advisory Board.

#### **Section 7: Creation of the Enterprise Zone Advisory Board**

SECTION NINE POINT ONE of the Designating Ordinance, titled "Enterprise Zone Advisory Board", is created and shall hereafter read as follows:

#### **SECTION NINE.ONE: Enterprise Zone Advisory Board**

- A. Duties. The Enterprise Zone Advisory Board shall perform the following duties with respect to the Enterprise Zone:
  - 1) Implement, monitor, and update established goals and objectives.
  - 2) Establish procedures for the operation and management of the incentives under section 5, including appeals processes and to

recommend and advise on policies for the administration, operation and management of the Zone.

- B. Membership. The Enterprise Zone Advisory Board will be composed of each Director of the BNEDC, the County Board Chair of Ford County, and the Mayor of Gibson City, each serving in an ex officio capacity.

- C. Terms of Membership. The terms of membership for Zone Advisory Board members shall be as follows.

Bloomington Normal Enterprise Zone Advisory Board members shall serve during their respective terms on the BNEDC Board of Directors. In the case of elected officials, their term on the Advisory Board will be the same as their respective term in elected office.

- D. Quorum and voting. A quorum of the Board is a majority of the voting members then holding office. The Board may approve any action by the affirmative vote of a majority of those voting on the question. Each voting member will have one vote for any and all matters upon which the Board must vote. The Chair may vote only in the case of a tie.
- E. Compensation. Enterprise Zone Advisory Board members shall serve without compensation.
- F. Staff. The Zone Administrator shall serve as advisor and staff to the Enterprise Zone Advisory Board in order to assist in carrying out its functions and duties.
- G. Conflict of Interest. Any member of the Enterprise Zone Advisory Board who has a direct or indirect conflict of interest on any action that comes before the Board shall make their conflict known, abstain from participating in any discussion of the action, and abstain from voting on that action. The member's abstention will be recorded in the minutes for the Board.

#### **Section 8: Section Number Change**

SECTION NINE of the original Designating Ordinance, titled "Designated zone organizations", is hereby changed to SECTION TEN and the remainder of the current language remains intact.

#### **Section 9: Zone Management Costs and Operation**

SECTION TEN of the original Designating Ordinance, titled "Certification Fee", is hereby deleted in its entirety, replaced with the following text, and shall hereafter read as follows:

## **SECTION ELEVEN: Zone Management Costs and Operation**

- A. The Zone Administrator may charge an application fee. The application fee must be in accordance with section 8.2 the Illinois Enterprise Zone Act, as amended. The fee will be payable to the BNEDC. The Zone Administrator shall file a copy of the Zone's fee schedule with the Department by April 1 of each year.
- B. The BNEDC may use the proceeds of the application fee under section Ten(A) to pay for the operating expenses of the Zone and project related activities which benefit the region's economic development strategy and plan, which are directly impacted by the Zone and as authorized by law.

## **Section 10: Performance Monitoring Process**

SECTION ELEVEN of the original Designating Ordinance, titled "Prevailing Wage", is hereby deleted in its entirety, replaced with the following text, and shall hereafter read as follows:

## **SECTION TWELVE: Performance Monitoring Process**

- A. The Zone Administrator is hereby authorized to execute the incentive agreement on behalf of each Designating Unit and Participating Taxing Body. Before receiving any abatement or incentive under section 5, each Grantee must execute an incentive agreement with each Designating Unit providing the incentive. This incentive agreement will outline the projected number of jobs to be created or retained by the Project and the capital investment for the Project. The incentive agreement must require the Grantee to maintain a minimum of 80% of the employment levels at that location as described in the incentive agreement for the Abatement Period. At the discretion of the Zone Administrator, with the advice of the Enterprise Zone Advisory Board, failure to maintain the required employment levels may result in the immediate termination of remaining abatement or the repayment of previously received incentives.
- B. The Zone Administrator will annually monitor the performance of the Grantee in order to ensure compliance with the incentive agreement.
- C. The Zone Administrator shall inform the Grantee of required enterprise zone-related, State of Illinois reporting requirements. Failure to report Enterprise Zone benefits as required by the Illinois Department of Revenue or other state agencies may result in termination of all locally designated Bloomington Normal Enterprise Zone benefits.

- D. As set forth in this subsection, the Zone Administrator, with advice of the Enterprise Zone Advisory Board may waive enforcement of any performance measures outlined in the incentive agreement if the Grantee maintains a minimum of 80% of the employment levels at that location as described in the incentive agreement for the Abatement Period. If the Grantee falls below the 80% employment level the Zone Administrator, with advice of the Enterprise Zone Advisory Board and after the notice required below, may waive enforcement of any performance measures outlined in the incentive agreement based on a finding that the waiver is necessary to avert an imminent, demonstrable and material hardship to the entity that may result in such entity's insolvency or discharge of workers. Before any such waiver, the Zone Administrator must give at least thirty (30) days written notice to the taxing bodies where the Grantee's project is located. The Zone Administrator may proceed with the proposed waiver so long as none of the taxing bodies send notice back objecting to the waiver. The top administrative official of each taxing body is empowered to determine whether an objection should be made on behalf of his or her taxing body and are authorized to provide notice of any objections.
- E. The Zone Administrator shall be responsible for enforcing all executed incentive agreements and taking actions to enforce and/or terminate said incentive agreements for default, upon the advice and consent of the Enterprise Zone Advisory Board.

#### **Section 11: Limits on Tax Objections**

SECTION TWELVE of the original Designating Ordinance, titled "Repeal of Conflicting Ordinances", is hereby deleted in its entirety, replaced with the following text, and shall hereafter read as follows:

##### **SECTION THIRTEEN: Limits On Tax Objections**

Grantee may not file a tax objection or protest to reduce the amount of property taxes incurred on the project property receiving an abatement under this Ordinance during the Abatement Period. If any such objection or protest is filed, then the abatement will immediately terminate and the abatement and/or grant claw back procedures under Section 10 will apply.

#### **Section 12: Repeal of Conflicting Ordinances**

SECTION THIRTEEN of the Designating Ordinance, titled "Effective Date", is hereby deleted in its entirety, replaced with the following text, and shall hereafter read as follows:

SECTION FOURTEEN: **Repeal of conflicting ordinances.** The provisions of any ordinance that conflicts with the provisions of this Ordinance are repealed to the extent of the conflict.

**Section 13: Term**


SECTION FIFTEEN of the Designating Ordinance, titled "Term" is created and shall hereafter read as follows:

**SECTION FIFTEEN. Term.**

This Ordinance becomes effective on the date of its execution by the County of Ford and upon approval and certification by the Illinois Department of Commerce and Economic Opportunity, according to law. This Ordinance, as amended, will remain in effect until the termination or decertification of the Zone.

Approved and Adopted this 13th day of Sep 2021.

County of Ford

By:   
Chairman

ATTEST:

By:   
County Clerk

