

ORDINANCE NO. 14-37

**AN ORDINANCE ESTABLISHING AN ENTERPRISE ZONE WITHIN THE VILLAGE OF COAL CITY, ILLINOIS, SAID ENTERPRISE ZONE BEING A PORTION OF A LARGER ENTERPRISE ZONE ENCOMPASSING CONTIGUOUS PORTIONS OF THE CITIES OF MARSEILLES, MORRIS, AND OTTAWA, THE VILLAGES OF CHANNAHON, COAL CITY, AND SENECA, AND THE COUNTIES OF GRUNDY AND LASALLE, ILLINOIS.**

---

**WHEREAS**, the State of Illinois has enacted the "Illinois Enterprise Zone Act" (the "Act") to alleviate distressed economic conditions in certain depressed areas; and

**WHEREAS**, the health, safety and welfare of the residents of the Village of Coal City (hereinafter "Village") are dependent, in part, upon a healthy private sector of the Village's economy; and

**WHEREAS**, the development, growth and expansion of the private sector requires a cooperative and continuous partnership between government and the private sector; and

**WHEREAS**, there are certain areas in the Village that require the particular attention of government, business and labor to attract private sector investment and directly aid the entire area of the Enterprise Zone and the residents thereof; and

**WHEREAS**, a disproportionate number of residents within the incorporated municipalities of Channahon, Coal City, Marseilles, Morris, Ottawa, and Seneca, as well as, adjacent areas of unincorporated Grundy County and LaSalle County for several years have suffered pervasive poverty, unemployment, and economic distress related to the prolonged national recession, shifts of industries throughout the Counties, and a variety of other economic factors negatively affecting said incorporated and unincorporated areas ; and

**WHEREAS**, the members of the Board of the Village of Coal City are cognizant of the distressed conditions existing within this area and are desirous of alleviating these distressed conditions; and

**WHEREAS**, the Cities of Marseilles, Morris, and Ottawa and the Villages of Channahon, Coal City, and Seneca have indicated their willingness and desire to cooperate in designating portions of their Cities and Villages as well as unincorporated areas in Grundy County and LaSalle Counties as an Enterprise Zone.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF THE VILLAGE OF COAL CITY, GRUNDY COUNTY, ILLINOIS, AS FOLLOWS:**

**SECTION 1: Establishment.** The area described in Exhibit A, which is attached hereto and incorporated herein by reference, and any areas subsequently certified from time to time by the State of Illinois, are hereby designated as Enterprise Zone pursuant to and in accordance with

the Act.

**SECTION 2: Description.** That the area described in Exhibit A attached hereto and made a part hereof as if fully set out herein, be and same is hereby designated an Enterprise Zone pursuant to and in accordance with said Act, subject to certification by the State as provided in the Act, and shall be known as the "Ottawa Area Enterprise Zone" (hereinafter referred to as the "Zone Area").

**SECTION 3: Qualifications.** The Village hereby declares and affirms that the zone area is qualified for designation as an Enterprise Zone in accordance with the provisions of the Illinois Enterprise Zone Act, and further affirms the following:

(a) the zone is a contiguous area, provided that a zone area may exclude wholly surrounded territory within its boundaries;

(b) the zone comprises a minimum of one-half square mile and not more than 12 square miles, or 15 square miles if the zone is located within the jurisdiction of 4 or more counties or municipalities, in total area, exclusive of lakes and waterways; however, in such cases where the enterprise zone is a joint effort of three or more units of government, or two or more units of government if situated in a township which is divided by a municipality of 1,000,000 or more inhabitants, and where the certification has been in effect at least one year, the total area will comprise a minimum of one-half square mile and not more than thirteen square miles in total area exclusive of lakes and waterways; and

(c) meets at least three of the following qualifying criteria:

**QUALIFYING CRITERIA**

1) Unemployment: All or part of the Local Labor Market Area has had an annual average unemployment rate of at least 120% of the State's annual average unemployment rate for the most recent calendar year.

2) Employment Opportunities: Designation will result in the development of substantial employment opportunities by creating or retaining a minimum aggregate of 1,000 full-time equivalent jobs due to an aggregate investment of \$100,000,000 or more, and will help alleviate the effects of poverty and unemployment within the Local Labor Market Area.

3) Poverty: All or part of the Local Labor Market Area has a poverty rate of at least 20% according to the latest data from the U.S. Census Bureau, 50% or more of children in the Local Labor Market Area are eligible to participate in the federal free or reduced-price meals program according to reported statistics from the State Board of Education, or 20% or more households in the Local Labor Market Area receive food stamps according to the latest data from the U.S. Census Bureau.

4) Abandoned Coal Mine, Brownfield or Federal Disaster Area: An abandoned coal mine or a brownfield (as defined in Section 58.2 of the Environmental Protection Act) is located in the proposed zone addition area, or all or a portion of the proposed enterprise zone was declared a federal disaster area in the 3 years preceding the date of application.

5) Large Scale Business Closings: The Local Labor Market Area contains a presence of large employers that have downsized over the years, the Local Labor Market Area has experienced plant closures in the 5 years prior to the date of application affecting more 50 workers, or the Local Labor Market Area has experienced State or federal facility closures in the 5 years prior to the date of application affecting more than 50 workers.

6) Vacant Structures: Based on data from Multiple Listing information or other suitable sources, the Local Labor Market Area contains a high floor vacancy rate of industrial or commercial properties, vacant or demolished commercial and industrial structures are prevalent in the Local Labor Market Area, or industrial structures in the Local Labor Market Area are not used because of age, deterioration, relocation of the former occupants, or cessation of operation.

7) Tax Base Improvement Plan: The applicant demonstrates a substantial plan for using the designation to improve the State and local government tax base, including income, sales, and property taxes.

8) Public Infrastructure Improvement Plan: Significant public infrastructure is present in the Local Labor Market Area in addition to a plan for infrastructure development and improvement.

9) Career Skills Programs: High schools or community colleges located within the Local Labor Market Area are engaged in ACT Work Keys, Manufacturing Skills Standard Certification, or industry-based credentials that prepare students for careers.

10) Equalized Assessed Valuation: The increase in equalized assessed valuation of industrial and/or commercial properties in the 5 years prior to the date of application in the Local Labor Market Area is equal to or less than 50% of the State average increase in equalized valuation for industrial and/or commercial properties, as applicable, for the same period of time as reported by the Illinois Department of Revenue; however, if the change in equalized assessed valuation in the State of industrial and/or commercial properties in the 5 years prior to the date of application is negative, then the applicant should instead demonstrate that the decrease in equalized assessed valuation of industrial and/or commercial properties in the 5 years prior to the date of application in the Local Labor Market Area is equal to or greater than 50% of the State average decrease in equalized valuation for industrial and/or commercial properties, as applicable, for

the same period of time as reported by the Department of Revenue.

(d) On the 14th day of October, 2014, a public hearing was conducted within the zone area on the question of whether to create the zone, what local plans, tax incentives and other programs should be established in connection with the zone, and what the boundaries of the zone should be, and that public notice was given in at least one newspaper of general circulation within the zone area; not more than 20 days nor less than five days before the hearing; and

(e) The zone area addresses a reasonable need to encompass portions of more than one (1) municipality and adjacent unincorporated areas of the Counties.

**SECTION 4: Enterprise Zone Designation.** That the area described in Section 2 above, is hereby designated as an Enterprise Zone, subject to the approval of the Illinois Department of Commerce and Economic Opportunity ("DCEO"), in accordance with law.

**SECTION 5: Term.** This ordinance shall be and become effective for a period of fifteen (15) years, unless sooner rescinded or as otherwise amended, on the date that the area described in Section 1 of this Ordinance, is designated an Enterprise Zone by DCEO, in accordance with law.

**SECTION 6: Sales Tax Credit.** Each retailer who makes a sale of building materials to be incorporated into real estate located in the zone area by remodeling, rehabilitation or new construction, may file claims for credit or refund to recover the amount of tax paid under 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 by this Section shall commence the date the Enterprise Zone is designated and certified, and shall continue for the term of the Enterprise Zone.

**SECTION 7: Real Estate Tax Abatement.** The Counties and the Municipalities authorize and direct the County Clerk to abate ad valorem taxes imposed upon commercial and industrial real property only, located within the Enterprise Zone area, upon which new improvements have been constructed or upon which existing improvements have been renovated or rehabilitated, subject to the following conditions:

(a) Only real estate within taxing jurisdictions with abatement resolutions on file will be subject to property tax abatement;

(b) Such abatement shall be at the rate of and for the number of years determined by each taxing district, but shall not exceed 100 per cent of the value of the improvements for the year in which the assessment for the improvements is made, and the nine (9) assessment years immediately following the year in which the assessment for the improvement is made;

(c) The improvements or renovations are of the scope and nature for which a building

permit is required and has been obtained, and has an estimated cost of \$20,000.00 or more.

(d) Any abatement of taxes on any parcel shall not exceed the amount attributable to the construction of the improvements and the renovation or rehabilitation of the existing improvements on such parcel;

(e) Such abatement shall be allowed only for commercial, industrial or manufacturing property located within the zone area;

(f) The abatement will apply to the assessed value at the time of approval at the then current taxing rate; if there would be increases in the taxing rate or reassessments done during the time of the abatement period which would increase the assessed value, the business or industry would be responsible for the taxes on the increases; and

(g) Such abatement shall continue and be in full force as set forth in this Section for any improvements which are completed within the term of the Enterprise Zone as specified in Section 4 of this enactment; and

(h) Existing abatements offered as an incentive under the existing Ottawa Enterprise Zone, where applicable, will continue to full term under the creation of the new zone, as may be permitted by law; and

(i) The abatement of real estate taxes shall pertain only to parcels located within the Enterprise Zone which have been improved after the designation of the Enterprise Zone; provided, however, that no abatement shall be applicable to any such improvement project located within the boundaries of a Tax Increment Redevelopment Project District, unless the abatement is existing prior to the creation of the Tax Increment Redevelopment Project District; and

(j) The abatement of real estate taxes shall pertain only to parcels located within the Enterprise Zone which have been improved after the designation of the Enterprise Zone; provided, however, that no real estate tax abatement shall be applicable to any such improvement project located within the boundaries of a Economic Development Project Area, unless the real estate tax abatement is existing prior to the creation of the Economic Development Project Area.

**SECTION 8: Zone Management.** Upon designation as an Enterprise Zone by the Illinois Department of Commerce and Economic Opportunity, a Zone Management Organization comprised of the Mayor of the City of Ottawa, the Finance Commissioner of the City of Ottawa, the City Attorney or Corporation Counsel of the City of Ottawa, the Chairman of the LaSalle County Board or his/her designee, and the CEO of the Grundy County Economic Development Commission or his/her designee will be formed. This Organization will be the governing body of the Enterprise Zone and will appoint the Zone Administrator. The Ottawa Mayor will be the Chairman of the Zone Management Organization. Decisions on appointment or removal of the Zone Administrator shall be made in the following manner:

(a) Nominations shall be received from the members of the Zone Management Organization for appointment of the Zone Administrator. Appointment of the Zone Administrator shall be by majority decision of the Zone Management Organization.

(b) The Zone Administrator may be removed by the majority vote of the Zone Management Organization.

The Zone Administrator shall be responsible for the day to day implementations within the zone area and will be the liaison between the Zone Management Organization, the Counties and Municipalities, and the DCEO.

**SECTION 9: Management Organization.** The Zone Administrator may recommend to the Zone Management Organization one or more organizations that qualify as Designated Zone Organizations (DZO) under the provisions of the Illinois Enterprise Zone Act. Upon approval by the Management Organization, for a term of years set by the Zone Management Organization, 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 or enterprise zone innovations;

(c) Receive title to publicly-owned land;

(d) Solicit and receive contributions to improve the quality of life in the zone area; and

(e) Perform such other functions as the Municipalities and the Counties may deem appropriate, not inconsistent with the Illinois Enterprise Zone Act.

**SECTION 10: Zone Administrator.** The Zone Administrator shall have the following powers, duties and responsibilities:

(a) Supervise the implementation of the provisions of this Intergovernmental agreement and the Illinois Enterprise Zone Act.

(b) Act as a liaison between the County of Grundy, Illinois, and the County of LaSalle, Illinois, and the Cities of Marseilles, Morris, and Ottawa, and the Villages of Channahon, Coal City, and Seneca, the Illinois Department of Commerce and Community Development, the Illinois Department of Revenue, designated zone organizations, and other State, Federal and local agencies, whether public or private.

(c) Conduct an ongoing evaluation of the enterprise zone program and submit such evaluative reports on at least an annual basis to the Zone Management Organization.

(d) Promote the coordination of other relevant programs, including, but not limited to, housing, community and economic development, small business, financial assistance and employment training within the enterprise zone.

(e) Recommend qualified designated zone organizations to the Management Organization.

(f) Have other such duties as specified by the Zone Management Organization, to appoint personnel as appropriate to assure the smooth operation of the Enterprise Zone.

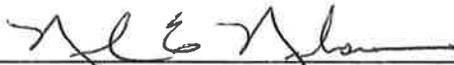
**SECTION 11: Intergovernmental Agreement.** The Village President of the Village of Coal City shall have and is given authority to execute an Intergovernmental Agreement between the Cities of Marseilles, Morris, and Ottawa and the Villages of Channahon, Coal City, and Seneca, and the Counties of Grundy and LaSalle which will indicate their willingness and desire to participate in the Enterprise Zone Program and which will set out the criteria for cooperation, participation and management of said Enterprise Zone.

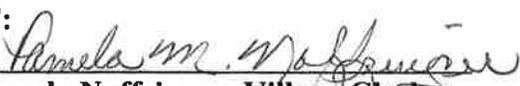
**SECTION 12: Severability.** This Ordinance, and every provision thereof, shall be considered separable, and the invalidity of any portion of this Ordinance shall not affect the validity of the remainder.

**SECTION 13: Repeal.** All Ordinances and/or Resolutions, or parts thereof, in conflict herewith are hereby repealed.

**SECTION 14: Effective.** This Ordinance shall be effective immediately upon its passage and approval, and publication, if required by law.

Passed and Approved this 8 day of December, 2014.

  
\_\_\_\_\_  
Neal E. Nelson, Village President

ATTEST:   
\_\_\_\_\_  
Pamela Noffsinger, Village Clerk