

ORDINANCE NO.

AFFIRMING the Establishment of an Enterprise Zone within the County of Rock Island, Illinois.

WHEREAS, the Illinois Enterprise Zone Act, as amended, (20 ILCS 655/1 *et seq.*) (the “Act”) authorizes the submission of applications to establish an “Enterprise Zone”, as defined therein, for the purposes of attracting private sector investment thereby stimulating business and industrial growth and stimulating neighborhood revitalization by means of relaxing government controls and tax incentives; and

WHEREAS, the Cities of East Moline, Moline, Rock Island and Silvis, the Village of Milan; and, the County of Rock Island (collectively, “Quad City Enterprise Zone”) have come together for purpose of designating an area as an Enterprise Zone for certification by the Illinois Department of Commerce and Economic Opportunity.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY ROCK ISLAND ILLINOIS, as follows:

Section 1 - The City of Rock Island, as a member of the Quad City Enterprise Zone, hereby commits to its participation in the designation and establishment of an Enterprise Zone, as hereinafter described, subject to the approval of the Illinois Department of Commerce and Economic Opportunity.

Section 2 – The term of the proposed Enterprise Zone shall commence on January 1, 2018 upon designation and certification by the Illinois Department of Commerce and Economic Opportunity (“DCEO”) pursuant to Section 5.3 of the Act, and shall remain in effect for a period of fifteen (15) calendar years and subject to review after thirteen (13) calendar years for an additional ten-year extension to commence on the first day of the 16th calendar year.

Section 3 – The City of Rock Island hereby approves the designation of an area by the Quad City Enterprise Zone for certification by DCEO, as an Enterprise Zone, as legally referred to in *Exhibit A* and as depicted on the map in *Exhibit B* in the applications.

Section 4 – The City of Rock Island, as a member of the Quad City Enterprise Zone, hereby declares and affirms that the proposed Enterprise Zone area, as lying within the corporate boundaries of the Quad City Enterprise Zone, is qualified for designation as an Enterprise Zone in accordance with the provisions of the Act, and further affirms and finds that:

- A. The entire area is a contiguous area, and is entirely within the corporate limits of the villages, cities and identified county limits, being the Quad City Enterprise Zone.
- B. The entire area comprises a minimum of one-half square mile and not more than fifteen (15) square miles in total area.

- C. The area, as lying within the corporate boundaries of the Quad City Enterprise Zone, meets at least three (3) of the criteria as listed and as defined in subsection f. of the Illinois Enterprise Zone Act, as amended, (20 ILCS 655/1 *et seq.*) and any additional criteria established by the Illinois Department of Commerce and Economic Opportunity.
- D. On November 1, 2016, the Quad City Enterprise Zone conducted a public hearing within the proposed Enterprise Zone area on the questions of whether to create the Enterprise Zone, what local plans, tax incentives and other programs should be established in connection with said Enterprise Zone, and what the boundaries thereof should be, and that public notice was given in at least one newspaper of general circulation within the proposed Enterprise Zone, not more than twenty (20) days nor less than five (5) days before the hearing; and,
- E. The area meets the qualifications of Section 4 of the Act.

Section 5 – The City of Rock Island hereby approves the following incentives under the Act:

- A. Each retailer whose place of business is within the corporate limits of the Quad City Enterprise Zone and who makes a sale of building materials to be incorporated into real estate located in the Enterprise 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 by this Section shall commence the first day of the calendar month following the month in which the Enterprise Zone is designated and certified, and shall continue for the term of the Enterprise Zone. (Building Material Sales Tax Exemption found in the Retailers’ Occupation Tax Act [35 ILCS 120/5k and 51]).
- B. In the case of any and all permit fees required and charged by the Cities of East Moline and Silvis and the Village of Milan for the rehabilitation, expansion or new construction of any commercial, industrial, manufacturing or community development assisted projects within the Zone Area, such permit fees (but not the permits themselves) shall be waived in their entirety. The permit fee waiver herein provided for shall include all fees charges for building, plumbing, electrical, zoning, demolition, and excavation permits which a building permit is otherwise required and has been obtained for such rehabilitation, expansion or new construction, but shall not include such permit fees charged for the mere repair or replacement of connection with such rehabilitation, expansion, or new construction. "Mere repair or replacement of electrical, plumbing or mechanical systems" for purposes of this Ordinance means electrical, plumbing or mechanical work but no alteration to buildings or parts thereof other than work set forth in the most recent edition of the building code as adopted by the respective local jurisdiction.

Section 6 – Upon designation as an Enterprise Zone by DCEO, a Zone Management Board (ZMB) shall be formed and comprised of the Administrator, Manager or Economic

Development Staff of each Village and City, and County member of the Quad City Enterprise Zone.

- A. The ZMB will be the governing body of the Enterprise Zone and will be responsible for all decisions within the Enterprise Zone.
- B. The ZMB shall elect a chairman.
- C. The ZMB will create the position of Zone Administrator (ZA).
- D. The ZMB may create the position of Assistant Zone Administrator (AZA).
- E. The ZMB will select the Zone Administrator, who shall be employed by the County or a municipality which is party to this Agreement.

Section 7 – The ZA will be responsible for the duties and tasks listed below as needed:

- A. Supervise the implementation of the provisions of this Ordinance and the Act.
- B. Act as a liaison between the Quad City Enterprise Zone and DCEO, and any other state, federal, and local agencies whether public or private.
- C. Request a copy of the map/boundaries of the Enterprise Zone on the websites of each member and shall provide an electronic copy of such map to DCEO.
- D. The Zone Administrator shall be responsible to collect and aggregate the following information:
 - (i) The estimated cost of each building project, broken down into labor and materials.
 - (ii) Within sixty (60) days of the end of a project, the actual cost of each building project, broken down into labor and materials.
 - (iii) On or before April 1 of each year, file a copy of the ZMB's fee schedule with DCEO. Zone Administrators shall charge no more than 0.5% of the cost of building materials of the project associated with the specific Enterprise Zone, with a maximum fee of nor more than \$50,000.
- E. The ZA may select and recommend to the ZMB an individual to be hired as an Assistant Zone Administrator (AZA).
- F. Conduct an ongoing evaluation of the Enterprise Zone programs and submit such evaluative reports on an annual basis to the ZMB.
- G. The ZA shall perform such other duties as identified and assigned by the ZMB to effectively implement the goals of the Enterprise Zone, as hereinafter set forth.

Section 8 – The City Rock Island hereby approves the following activities which have been identified as initial goals of the Quad City Enterprise Zone:

- A. To identify available sites and vacant or underused buildings for new or expanding businesses.
- B. To market available sites and buildings on the Location One Information System (LOIS) website (or a similar site).
- C. To assist businesses and Enterprise Zone residents in receiving available local, state, or federal economic development incentives and benefits.
- D. To hold educational forums and programs for Enterprise Zone communities, businesses and residents to explain and promote program benefits and incentives.

E. To coordinate available and future economic development incentives within the Enterprise Zone.

Section 9 – All ordinances, resolutions, motions or parts thereof in conflict herewith shall be and the same are hereby repealed.

Section 10 – This Ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

ADOPTED this ____ day of _____, 2016, pursuant to a roll call vote as follows:

CITY/COUNTY OF, ILLINOIS

Mayor, City of Rock Island

Date

Passed: _____

Approved: _____

Attest: _____

City Clerk