

**ILLINOIS ENTERPRISE ZONE PROGRAM
APPLICATION TO ADD NEW UNIT OF GOVERNMENT
INSTRUCTIONS and APPLICATION**

INTRODUCTION

Under Section 5.4 of the Illinois Enterprise Zone Act, an application to amend a certified designating ordinance must contain substantially the same information as required for an application for certification of an enterprise zone under Section 5.1 of the Act. An amendment to a certified ordinance is not effective unless and until the Department of Commerce and Economic Opportunity (DCEO) approves the application, approves the amending ordinance, and files a certified copy of the ordinance with the local recorder of deeds and the Secretary of State as provided in Section 5.3 of the Act.

APPLICATION PROCEDURES

1. Hold Public Hearing

The designating unit(s) of government must conduct at least one public hearing within the enterprise zone, including the proposed additional unit(s) of government, on the question of changing the zone boundaries to add territory. Public notice of the hearing must be published in at least one newspaper of general circulation within the zone area not more than 20 days or less than 5 days before the hearing.

2. Pass Designating Ordinance(s)

The new unit(s) of government must pass a designating ordinance(s) for the enterprise zone. The ordinance must offer incentives consistent with those offered by the participating units of government in the existing enterprise zone.

3. Amend Designating Ordinance(s)

The designating unit(s) of government must amend the designating ordinance(s) to provide the legal description of the proposed enterprise zone boundaries, including the new unit(s) of government.

NOTE: The ordinance does not take effect unless and until DCEO approves it. DCEO will accept and evaluate an application which is accompanied by a draft ordinance. If the application is approved, the ordinance may be passed locally. If changes in the draft ordinance are needed, this procedure allows them to be incorporated prior to passage, rather than requiring an amending ordinance.

The original and two certified copies of the amending ordinance must then be forwarded to DCEO for certification and filing in accordance with Section 5.3 of the Act.

4. Amend Intergovernmental Agreement

The designating unit(s) of government must amend their intergovernmental agreement to provide the legal description and **Permanent Index Numbers (PINs)** of the proposed addition to the enterprise zone. **Please note, for recording purposes, Permanent Index Numbers (PINs) must be included for the proposed areas to be added.**

5. Make Application

The designating unit(s) of government must submit an application to DCEO for approval of the boundary change. DCEO's decision regarding final approval or disapproval of the proposed amendment shall be made within 90 days of the receipt of the application. Direct application to:

Department of Commerce and Economic Opportunity
Enterprise Zone Program
500 East Monroe Street, Fourth Floor
Springfield, Illinois 62701
CEO.EZHelp@illinois.gov

APPLICANT REQUIREMENTS

The applicant is required to complete and submit the standard application form furnished by DCEO (see “Application to Add New Unit of Government”) and to provide information and documentation including:

1. The notice of Public Hearing;
2. Transcripts of the Public Hearing;
3. The original and two certified copies of the designating ordinance for the new unit of government;
4. A certified copy of the amended intergovernmental agreement;
5. A legal description of the proposed enterprise zone boundaries that clearly defines and labels the zone boundaries and provides names of streets, rivers, etc.;
Please note, for recording purposes, Permanent Index Numbers (PINs) must be included for the proposed areas to be added;
6. A map of the enterprise zone that includes the proposed area for addition and its relation to the boundaries of the established zone, and that clearly defines and labels the zone boundaries and provides names of streets, rivers, etc.; applicants are encouraged to submit geospatial data as ESRI ARCGIS Shape files;
7. A specific definition of the applicant’s Local Labor Market Area along with a statement explaining why the Local Labor Market Area used is appropriate for the Enterprise Zone to which it relates; applicants are encouraged to include data on commuting patterns and public transportation or other information demonstrating that for the Local Labor Market Area used individuals can reside and find employment within a reasonable distance or can readily change jobs without changing their place of residence; the Local Labor Market Area must be contiguous, compact, entirely within the State of Illinois and shall be comprised of whole Census Tracts; the Local Labor Market Area must, at a minimum, contain the entire area within the boundaries of the Enterprise Zone to which it relates;
8. Where the proposed addition includes territory under the jurisdiction of taxing districts not previously included, an original and two certified copies of property tax abatement resolutions;
9. Information on the economic characteristics of the proposed addition;
10. Documentation and statistics demonstrating that the proposed addition meets three of the qualifying criteria; and
11. A statement concerning the economic development goals and objectives of the new unit(s) of government relate to goals, objectives, and economic development plans of the existing enterprise zone; and an implementation plan describing the specific tasks, activities, and commitments to achieve them.

Eligibility Criteria

An area proposed for addition to an enterprise zone must be qualified in accordance with Section 4 of the Act. The application must demonstrate, and the amending ordinance must find that, the proposed zone area satisfies all of the following:

- a. **Contiguous Area.** The area is contiguous, which means the area has a solid continuous boundary. Boundaries shall be clearly defined and follow natural or man-made entities such as rivers, highways, and boundaries of units of government. The zone area may exclude wholly surrounded territory within its boundaries.
- b. **Calculating Total Area.** For purposes of calculating total area, the minimum is one-half square mile and the maximum is 12 square miles, or 15 square miles if the zone is located within the jurisdiction of four or more counties or municipalities, excluding lakes or waterways. Where the Enterprise Zone is a joint effort of three or more units of government, or two or more units of government, if located in a township divided by a municipality of 1,000,000 or more inhabitants, and where the certification has been in effect at least one year, the minimum is one-half square mile and the maximum is 13 square miles, excluding lakes and waterways. Boundaries that are connecting strips shall be not less than three, nor more than 10, feet wide. Waterways shall not be used as connecting strips.
- c. **The proposed enterprise zone “annexation” of a new unit of government must minimally meet at least three of the following 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 or the most recent fiscal year as reported by the Department of Employment Security.
 - 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. Applicants shall specify the time periods over which full-time equivalent jobs will be created or retained and aggregate investments will be made. Such time periods should not exceed the current end date of the zone. Applicants are encouraged to describe how the creation and retention of full-time equivalent jobs and new investment will help alleviate the effects of poverty and unemployment with 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) located in the proposed zone addition area, or all or a portion of the proposed addition was declared a federal disaster area in the 3 years preceding the date of application. To be considered an abandoned coal mine, the coal mine must be listed on the Illinois Department of Natural Resources Abandoned Mine Locator. To document that a portion of the proposed zone was declared a federal disaster area in the 3 years preceding the date of the application, the applicant must provide the major disaster declaration number, the area designated as adversely affected by the major disaster, and date of the declaration. Applicants are encouraged to use copies of the appropriate notices in the Federal Register of a major disaster declaration and related determinations. This does not include emergency declarations or fire management assistance declarations. A brownfield site must be listed in the Illinois

Environmental Protection Agency Site Remediation Program database. Applicants are encouraged to provide the 10-digit Illinois Environmental Protection Agency identification number ("LPC #") for the site.

- 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. Applicants are encouraged to use data from filings made pursuant to the Illinois Worker Adjustment and Retraining Notification Act and the State Facilities Closure Act as evidence of job losses under this test.
- 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. The applicant must provide written documentation from more than one high school and/or community college within the Local Labor Market Area that the institution is providing ACT Work Keys, Manufacturing Skills Standard Certification, or industry-based credentials that prepare students careers at some time during the current school year.
- 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. Applicants are encouraged to use data on assessed valuation of industrial and/or commercial properties in the Local Labor Market Area from the Illinois Department of Revenue or from the chief assessment official of the county or counties in which at least a portion of the Local Labor Market Area is contained.

**ILLINOIS ENTERPRISE ZONE PROGRAM
APPLICATION TO ADD NEW UNIT OF GOVERNMENT**

PART A: LEGAL APPLICANT

Name of Jurisdiction _____

Street/P.O. Box _____ Zip Code _____

City _____ County _____

Chief Elected Official _____

Zone Administrator _____ Phone () _____

Type of Applicant: City _____ County _____

Present Participating Municipalities or Counties of Designated Enterprise Zone

Name of Jurisdiction _____

Street/P.O. Box _____ Zip Code _____

City _____ County _____

Chief Elected Official _____

Zone Administrator _____ Phone () _____

Type of Applicant: City _____ County _____

Name of Jurisdiction _____

Street/P.O. Box _____ Zip Code _____

City _____ County _____

Chief Elected Official _____

Zone Administrator _____ Phone () _____

Type of Applicant: City _____ County _____

Note: Submit one application that includes an original ordinance(s), intergovernmental agreement and taxing district resolutions plus 2 certified copies of the ordinances, intergovernmental agreement and taxing district resolutions. All attachments must be 8-1/2" x 11", excluding maps. The format of this application may be reproduced and completed in an expanded form provided the final application is presented in bound form or loose leaf notebook. All pages must be numbered in sequence and attachments labeled.

CRITERION 1

_____ Unemployment:

Definition: 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 or the most recent fiscal year as reported by the Department of Employment Security.

Calculation

To calculate the 120% rate:

Use the unemployment rate for your LLMA (1): _____

Use the unemployment rate for the state of Illinois (2): _____

$$\text{_____} \times 100 = \text{_____} \%$$

120% Formula: Divide (1) over (2). Multiply this number by 100. [(1)/(2) x 100].

(Example: Your LLMA's Unemployment Rate: 6.8%; State's Average. Unemployment Rate: 4.2%.

Perform the following calculation: $6.8 / 4.2 \times 100 = 161\%$

Using the above example, the Unemployment Rate for your LLMA would be 161% of the State level.

This would qualify your Enterprise Zone for the unemployment criterion)

The figures for unemployment are available from the Illinois Department of Employment Security (IDES). For help in obtaining your unemployment levels, please contact:

IDES Contact Person: Rich Reinhold

Email Address: Richard.Reinhold@Illinois.gov

Phone#: (312) 793-5896

Documentation: Attach IDES data set.

CRITERION 2

_____ Substantial Employment Opportunities:

Definition: 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. Applicants shall specify the time periods over which full-time equivalent jobs will be created or retained and aggregate investments will be made. Such time periods should not current end date of the zone. Applicants are encouraged to describe how the creation and retention of full-time equivalent jobs and new investment will help alleviate the effects of poverty and unemployment with the local labor market area.

Documentation:

- 1) Attach documentation that an entity or entities will invest a total of at least \$100 million and the creation or retention of 1,000 FTE jobs* within the term of the zone.
- 2) Describe how this investment and job creation or retention will help alleviate the effects of poverty and unemployment within the LMA.

**"Full-time equivalent job" means a job in which the new employee works for the recipient or for a corporation contract to the recipient at a rate of at least 35 hours per week. A recipient who employs labor or services at a specific site or facility under contract with another may declare one full-time, permanent job for every 1,820 man hours worked per year under that contract. Vacations, paid holidays, and sick time are included in this computation. Overtime is not considered a part of regular hours.*

"Full-time retained job" means any employee defined as having a full-time or full-time equivalent job preserved at a specific facility or site, the continuance of which is threatened by a specific and demonstrable threat, which shall be specified in the application for development assistance. A recipient who employs labor or services at a specific site or facility under contract with another may declare one retained employee per year for every 1,750 man hours worked per year under that contract, even if different individuals perform on-site labor or services.

CRITERION 3

_____Poverty

Select one or more of the following poverty tests your LLMA meets and provide documentation:

___A. 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,

___B. 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

___C. 20% or more households in the Local Labor Market Area receive food stamps according to the latest data from the U.S. Census Bureau.

Note: For test A, you may use census data showing that the entire Local Labor Market Area (LLMA) meets this standard or you may use census data showing that there is at least one census geography that meets this standard within the LLMA. However, for tests B and C you must demonstrate that the entire LLMA meets the standards in B or C.

Documentation: For tests A or C, attach data from the most recent available *American Community Survey* (US Census Bureau, ACSO 3K276, Washington DC 22033, 2010)

Documentation: For test B, attach data from the Illinois State Board of Education

CRITERION 4

_____ Abandoned Coal Mine, Brownfield or Federal Disaster Area

Mark which of the three items you claiming. Note that for this criterion, it must be located in the proposed zone addition area, not just in the LLMA.

___ abandoned coal mine located in the proposed zone addition area, or

___ brownfield located in the proposed zone addition area, or

___ all or a portion of the proposed zone addition area was declared a federal disaster area in the 3 years preceding the date of application.

Note:

To be considered an abandoned coal mine, the coal mine must be listed on the Illinois Department of Natural Resources Abandoned Mine Locator.

To document that a portion of the proposed zone was declared a federal disaster area in the 3 years preceding the date of the application, the applicant must provide the major disaster declaration number, the area designated as adversely affected by the major disaster, and date of the declaration. Applicants are encouraged to use copies of the appropriate notices in the Federal Register of a major disaster declaration and related determinations. This does not include emergency declarations or fire management assistance declarations.

A brownfield site must be listed in the Illinois Environmental Protection Agency Site Remediation Program database. Applicants are encouraged to provide the 10-digit Illinois Environmental Protection Agency identification number ("LPC #") for the site.

CRITERION 5

_____ Large Scale Plant Closings

Mark which one of the items has occurred within the 5 years prior to the date of the application within the LLMA:

___ Large employers have downsized, or

___ Plant closures affecting more than 50 workers, or

___ State or federal facility closures

Documentation: Applicants are encouraged to use data from filings made pursuant to the Illinois Worker Adjustment and Retraining Notification Act (WARN) and the State Facilities Closure Act as evidence of job losses under this test.

CRITERION 6

_____ Vacant Structures:

Based on data from Multiple Listing information or other suitable sources*, the applicant must document that as of the date of the application:

___ LLMA contains high floor vacancy rate of industrial, or

___ LLMA contains high floor vacancy rate of commercial properties, or

___ vacant or demolished commercial and industrial structures are prevalent in the LLMA, or

___ industrial structures in the LLMA are not used because of age, deterioration, relocation of the former occupants, or cessation of operation.

Note: Applicants are encouraged to list affected commercial or industrial parcels and/or units and describe how such parcels or units were determined to be vacant or deteriorated. To show a vacancy rate or prevalence applicants are encouraged to provide data of the total number of commercial and industrial parcels or units in the Local Labor Market Area and describe how such data was collected or determined.

CRITERION 7

___Tax Improvement Plan

Attach a plan that demonstrates how zone designation will improve that base for the State and the local taxing bodies affected by the proposed addition of the additional area to the zone. Specifically, the plan must address:

- A) State/Local sales tax base,
- B) State income tax base, and
- C) Property tax base

CRITERION 8

_____Public Infrastructure Improvement Plan

Attach the following:

A) An inventory of the public infrastructure* that demonstrates that significant public infrastructure exists in the LMA to support economic development at the time of the application, and

B) A three-year public infrastructure improvement and development plan for each municipality and/or county government that is being added to the zone. It does not need to address all of the capital expenditures for the city or county, but provides for large, physical improvements that are permanent in nature that are needed for the functioning of the community, including transportation, utilities, etc.

Specifically, the plans must include:

- A listing of the capital improvement projects
- The plan for financing the projects.
- A timetable for the construction or completion of the projects.
- Justification for the projects.

*"Public infrastructure" means local roads and streets, access roads, bridges, and sidewalks; waste disposal systems; water and sewer line extensions and water distribution and purification facilities, and sewage treatment facilities; rail or air or water port improvements; gas and electric utility facilities; transit capital facilities; development and improvement of publicly owned industrial and commercial sites, or other public capital improvements that are an essential precondition to a business retention, development or expansion.

CRITERION 9

_____Manufacturing 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.

Documentation: The applicant must provide written documentation from more than one high school and/or community college within the Local Labor Market Area that the institution is providing ACT Work Keys, Manufacturing Skills Standard Certification, or industry-based credentials that prepare students careers at some time during the current school year.

CRITERION 10

_____ Equalized Assessed Valuation (EAV):

Check whether the EAV data is for industrial, commercial or combined industrial and commercial properties:

If the change in equalize assessed valuation in the State of industrial and/or commercial properties in the 5 years prior to the date of the application is positive, then the applicant should demonstrate that:

___ The increase in equalized assessed valuation of **industrial** properties in the 5 years prior to the date of application is equal to or less than 50% of the State average change in equalized valuation for industrial properties for the same period of time, or

___ The increase in equalized assessed valuation of **commercial** properties in the 5 years prior to the date of application is equal to or less than 50% of the State average change in equalized valuation for commercial properties the same period of time, or

___ The increase in equalized assessed valuation of **both industrial and commercial** properties in the 5 years prior to the date of application is equal to or less than 50% of the State average change in equalized valuation for industrial and/or commercial properties, as applicable for the same period of time.

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** properties in the 5 years prior to the date of application is equal to or greater than 50% of the State average change in equalized valuation for industrial properties for the same period of time, or

___ The decrease in equalized assessed valuation **commercial** properties in the 5 years prior to the date of application is equal to or greater than 50% of the State average change in equalized valuation for commercial properties the same period of time, or

___ The decrease in equalized assessed valuation of **both industrial and commercial** properties in the 5 years prior to the date of application is equal to or greater than 50% of the State average change in equalized valuation for industrial and/or commercial properties, as applicable for the same period of time.

Documentation: Applicants are encouraged to use data on assessed valuation of industrial and/or commercial properties in the Local Labor Market Area from the Illinois Department of Revenue or from the chief assessment official of the county or counties in which at least a portion of the Local Labor Market Area is contained.

PART C: DESCRIPTIVE INFORMATION

1. Total area of the existing enterprise zone: _____ square miles
2. Area of the proposed addition: Acres _____ Square Miles _____
3. The proposed addition of the new unit (s) of government is contiguous with the enterprise zone:
Yes _____ No _____

PART D. PURPOSE OF AMENDMENT

Explain why the amendment is being requested.

PART E. DEPARTMENT OF AGRICULTURE APPROVAL

Please complete the attached Agricultural Site Review Information sheet and send it in to the Department of Agriculture, prior to submitting this application in to the Department of Commerce and Economic Opportunity. This form can also be found at the following website: www.agr.state.il.us/pdf/agrsitereview.pdf . Completed forms should be sent/faxed to the address listed on page one of the form. Submit a copy of the Department of Agriculture approval letter for the proposed projects in with this application.

PART F. APPLICANT CERTIFICATION

THE APPLICANT CERTIFIES THAT:

To the best of my knowledge and belief, data and other information in this application are true and correct, and this document has been authorized by the governing body of the applicant.

CERTIFYING REPRESENTATIVE:
(To be signed by the Chief Elected Official or Designee)

_____	_____
Designating Unit of Government	Chief Elected Official or Designee
_____	_____
Date	Title

CERTIFYING REPRESENTATIVE:
(To be signed by the Chief Elected Official or Designee)

_____	_____
Designating Unit of Government	Chief Elected Official or Designee
_____	_____
Date	Title

CERTIFYING REPRESENTATIVE:
(To be signed by the Chief Elected Official or Designee)

_____	_____
Designating Unit of Government	Chief Elected Official or Designee
_____	_____
Date	Title
