**Sauk Valley Community College**

**March 27, 2017**

**Agenda Item 4.9**

**Topic Tax Abatement Request – Bureau Putnam Area (2017) Enterprise Zone**

**Mission: Sauk Valley Community College is dedicated to teaching and scholarship while engaging the community in lifelong learning, public service, and economic development.**

**Presented By: Dr. David Hellmich and Melissa Dye**

**Presentation:**

The College received a request for tax abatement for specified property located within the Bureau Putnam Area (2017) Enterprise Zone (see attached).

Abatement will be at the rate of 100% of the value of the improvements for the year in which the assessment for the improvements is made and nine assessment years immediately following the year in which the assessment for the improvements is made, provided, however, that no abatement shall be provided beyond December 29, 2031.

**Recommendation:**

The administration recommends the Board approve the requested Bureau Putnam Area (2017) Enterprise Zone tax abatement as presented.

RESOLUTION OF THE (TAXING DISTRICT)

ABATING TAXES IMPOSED ON CERTAIN REAL PROPERTY LOCATED

WITHIN THE BUREAU PUTNAM AREA (2017) ENTERPRISE ZONE

**WHEREAS**, the Cities of Princeton and Spring Valley and the Village of Ladd along with the Counties of Bureau and Putnam and the Villages of Hennepin, Mark and Granville, were awarded an enterprise zone, known as the Bureau Putnam Area (2017) Enterprise Zone (“Enterprise Zone”), with all rights, duties and responsibilities specified in the Illinois Enterprise Zone Act (20 ILCS 655/1 et seq.) from the IL Department of Commerce and Community Affairs (now IL Department of Commerce and Economic Opportunity) on June 30, 1987; and

**WHEREAS**, the Illinois General Assembly passed Senate Bill 3616 as amended on May 31, 2012, and , which was signed into law by the Governor on August 7, 2012, thereby amending the Illinois Enterprise Zone Act (20 ILCS 655/1 et. Seq.), hereafter referred to as ‘the Act’, under the provisions of Public Act 97-905; and,

WHEREAS, the Illinois General Assembly also passed Senate Bill 20 as amended on May 31, 2013, and, which was signed into law by the Governor on July 25, 2013 as Public Act 98-109, portions of which clarified Enterprise Zone related legislation contained in Public Act 97-905 and the Act; and,

**WHEREAS**, the Act provided for a new Illinois Enterprise Zone designation administered by the Illinois Department of Commerce and Economic Opportunity (hereafter referred to as ‘the Department’) subject to the approval and concurrence of the Illinois State Enterprise Zone Board, (hereafter referred to as ‘the Board’); and

**WHEREAS**, the (TAXING DISTRICT) Sauk Valley College District #506, Lee County, Dixon, Illinois passed a resolution for the 2007 extension of the former Bureau Putnam Area Enterprise Zone, authorizing and directing the Bureau County Clerk to abate ad valorem taxes imposed upon real property located within the Sauk Valley College District which lies within the Enterprise Zone upon which new improvements have been constructed or upon which existing improvements have been renovated or rehabilitated, subject to certain conditions and which expired December 29, 2016; and

**WHEREAS**, Sauk Valley College District #506, Lee County, Dixon, Illinois finds that the Enterprise Zone serves the interests of all local taxing authorities in the entire community by stimulating economic development and revitalization; and

**WHEREAS**, the success of the Enterprise Zone depends upon community support and the nature of incentives to be offered; and

**WHEREAS**, Sauk Valley College District #506, Lee County, Dixon, Illinois finds that it is in its best interest to, along with other taxing districts, offer incentives to promote development within its boundaries that will ultimately increase its tax base; and

**WHEREAS**, Sauk Valley College District #506, Lee County, Dixon, Illinois is in support of the abatement of certain taxes until the Enterprise Zone expiration on December 29, 2031, unless extended; and

**WHEREAS**, Sauk Valley College District #506, Lee County, Dixon, Illinois believes that the construction of manufacturing, commercial, industrial and technological operations within the Enterprise Zone will ultimately increase its tax base and, therefore, that abatement of ad valorem real estate taxes is in the best interest of its citizens.

**NOW, THEREFORE**, BE IT RESOLVED by the Board of Trustees of Sauk Valley College District #506, Lee County, Dixon, Illinois, as follows:

Section 1.

The findings and recitations hereinabove set forth are adopted and found to be true.

Section 2. **TERM:**

The term of the zone will be for fifteen (15) years commencing on December 30, 2016 and ending at midnight on December 29, 2031 or until such time as the Zone has expired, been decertified by the Department, or repealed by the General Assembly, or by ordinance of the participating local government entities, whichever is sooner. After the thirteenth (13) year, the Zone is subject to review by the Illinois Enterprise Zone Board for an additional ten (10) year designation beginning on the expiration date of the enterprise zone. During the review process the Illinois Enterprise Zone Board shall consider the costs incurred by the State and local units of government as a result of tax benefits received by the enterprise zone before granting the extension. Upon approval by the Illinois Enterprise Zone Board, the Zone may further be in effect for an additional ten (10) years ending December 29, 2041

Section 3. **PROPERTY TAX ABATEMENT:**

The Board of Trustees of Sauk Valley College District #506, Lee County, Dixon, Illinois authorizes and directs the County Clerk of Bureau County, Illinois to abate ad valorem taxes imposed upon real property located within the Sauk Valley College District which lies within the Enterprise Zone area (“Zone Area”) as from time to time certified by the State of Illinois, and upon which new improvements have been constructed or upon which existing improvements have been renovated or rehabilitated, subject to the following condition

1. The improvement or renovations are of the scope and nature for which a building permit is required and has been obtained;
2. Any abatement of taxes in any parcel shall not exceed the amount attributable to the construction of the improvements and the renovation or rehabilitation of existing improvements on such parcel;
3. Such abatement shall be allowed only for commercial, industrial, or manufacturing property located within the Zone Area;
4. Such abatement shall be at the rate of 100% of the value of the improvements for the year in which the assessment for the improvements is made and nine (9) assessment years immediately following the year in which the assessment for the improvements is made, provided, however, that no abatement shall be provided beyond December 29, 2031 unless the Zone is certified for an additional ten (10) years on December 30, 2031. If an additional ten (10) years is assigned to the Zone, no abatement shall be provided beyond December 29, 2041;
5. Such abatement shall continue and be in full force and effect as set forth in this Resolution for any improvements which are completed within the term of the Enterprise Zone, regardless of whether such completion occurred prior to or subsequent to the extension of the term of the Enterprise Zone.
6. Upon the effective date of this resolution, all incentives, Enterprise Zone property tax abatements and benefits previously offered and in effect within the boundaries of Sauk Valley College District and the former Bureau Putnam Area Enterprise Zone shall continue as originally awarded in order to complete their ten (10) year abatement.
7. Boundaries for the New Enterprise Zone are identical to the boundaries of the old Enterprise Zone.

Section 4. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PRESENTED, PASSED AND ADOPTED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF SAUK VALLEY COLLEGE DISTRICT #506, LEE COUNTY, DIXON, ILLINOIS BY AN AYE AND NAY ROLL CALL VOTE, WITH \_\_\_\_\_\_\_\_VOTING AYE, \_\_\_\_\_\_\_\_ VOTING NAY, \_\_\_\_\_ ABSENT, THIS \_\_27TH\_\_\_\_\_\_ DAY OF \_FEBRUARY, 2017.

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Chair, Board of Trustees

Sauk Valley College

District #506, Lee County

Dixon, Illinois

Attest:

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Secretary, Board of Trustees

Sauk Valley College

District #506, Lee County

Dixon, Illinois

2/6/17