

ORDINANCE NO. _____

**AN ORDINANCE TO AUTHORIZE PROPERTY TAX ABATEMENT FOR
TEKLAB PROPERTIES, LOCATED AT 116-122 UNITED DRIVE, PARCEL
NO. 13-2-21-20-00-000-047, 13-2-21-20-00-000-048, 13-2-21-20-00-000-049, AND
13-2-21-20-00-000-050**

WHEREAS, pursuant to Section 655 of the Illinois Enterprise Zone Act (20 ILCS 655/1, et seq.) (the "Act"), the Madison County Discovery Enterprise Zone, which includes certain real estate located in the City of Collinsville ("Collinsville") and neighboring municipalities, as well as the and the County of Madison, Illinois, was approved and certified by the Illinois Department of Commerce and Economic Opportunity ("DCEO") to commence January 1, 2016;

WHEREAS, Collinsville, its neighboring Municipalities, and the County of Madison, have all determined it was necessary and in the best interests of each of the communities and economic development interests countywide, to expand incentives offered by the Madison County Discovery Enterprise Zone;

WHEREAS, Collinsville established the Discovery Enterprise Zone within Collinsville on December 8, 2014;

WHEREAS, Collinsville amended the Discovery Enterprise Zone within the City to include property tax abatement on November 25, 2019;

WHEREAS, such application to expand incentives was approved and certified by DCEO on May 22, 2020;

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

WHEREAS, Collinsville finds that the enterprise zone will serve the interest of all local taxing authorities and the entire community by stimulating economic revitalization.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF COLLINSVILLE, ILLINOIS as follows:

Section 1: The foregoing recitals are incorporated herein as findings of the Corporate Authorities of the City of Collinsville, Illinois.

Section 2: City of Collinsville authorizes and directs the County Clerk to abate that portion of its taxes on real property, as further described herein and located within the Madison County Discovery Enterprise Zone, resulting from an increase in assessed valuation which is attributable to the construction of improvements and subject to the following limitations:

- (a) The tax abatement shall apply only to the taxes corresponding to an increase in assessed valuation after improvements (for either new construction, renovation, or rehabilitation) have been duly assessed and said abatement shall not exceed the amount attributable to the construction of the improvements and the renovation or rehabilitation of existing improvements.
- (b) The tax abatement shall pertain only to that parcel within the Enterprise Zone which has been improved after the designation of the Enterprise Zone; provided, however, no such abatement shall be applicable to any such improvement project located within the boundaries of a Tax Increment Financing District.
- (c) That such abatement shall be at the rate of:
 - i. One Hundred-percent (100%) of the value of the improvements, for the first assessment year in which the improvements are fully assessed, and the six assessment years immediately following the year in which the improvements were fully assessed;
 - ii. Seventy-percent (70%) of the value of the improvements on the seventh year following the year in which the improvements were fully assessed;
 - iii. Forty-percent (40%) of the value of the improvements on the eighth year following the year in which the improvements were fully assessed;
 - iv. Ten-percent (10%) of the value of the improvements on the ninth year following the year in which the improvements were fully assessed; and,
 - v. In the tenth year following the year in which the improvements were fully assessed, and for all subsequent years, the County Clerk will no longer abate ad valorem taxes on the improvements.
- (d) The tax abatement shall apply only to improvements for which a building permit is issued.
- (e) The tax abatement shall apply only to improvements to industrial, manufacturing, and commercial property. Residential property of any kind is not eligible for tax abatement benefits.
- (f) While the abatement is in effect, this public taxing authority will continue to receive all taxes corresponding to the equalized assessed valuation for the tax year immediately preceding commencement of the project.
- (g) That such abatement can apply to other taxing districts within the Discovery Enterprise Zone but only after said taxing district passes a separate resolution/ordinance authorizing that the taxes levied and extended on behalf of the taxing district be abated. Said resolution/ordinance shall be filed with the County Clerk and Madison County Community Development; and
- (h) The tax abatement shall only apply to property identified in Exhibit A attached hereto.

Section 3. In the event any section or provision of this Ordinance shall be held unconstitutional or invalid by any Court, in whole or in part, such holding shall not affect the validity of this Ordinance or any remaining part of this Ordinance, other than the part held unconstitutional or invalid.

Section 4. All ordinances, or parts thereof, which are inconsistent with the provisions of this Ordinance, are hereby repealed to the extent of their inconsistencies.

Section 5. Nothing contained herein shall in any manner be deemed or construed to alter, modify, supersede, supplant or otherwise nullify any other ordinance of the City or the requirements thereof whether or not relating to or in any manner connected with the subject matter hereof, unless expressly set forth herein.

Section 6. This Ordinance is effective upon its passage by the City Council, approval by the Mayor, and publication according to law.

Passed by the City Council of the City of Collinsville, Illinois, on the _____ of _____, 2024.

Ayes: _____

Nays: _____

Absent: _____

Approved: _____

APPROVED:

JEFF STEHMAN, MAYOR

ATTEST: _____
KIM WASSER, CITY CLERK

RECORDED: _____, 2024

EXHIBT A

PARCEL No. 13-2-21-20-00-000-047, 13-2-21-20-00-000-048, 13-2-21-20-00-000-049, and 13-2-21-20-00-000-050

