

**AN ORDINANCE AMENDING CHAPTER 78
"PROGRAMMING" OF THE CODE OF ORDINANCES
(Economic Incentive Program)**

WHEREAS, the City Council of the City of Rolling Meadows has determined that it is in the best interests of the City to establish an Economic Incentive Program to provide and encourage economic growth to increase sales tax revenue to the City; and

WHEREAS, the proposed Economic Incentive Program is designed to provide an incentive to new or existing businesses to locate in or expand their existing businesses in the City of Rolling Meadows.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Rolling Meadows, Illinois, as follows:

Section One: Chapter 78 "Programming" of the Code of Ordinances is hereby amended by adding thereto the following:

Article VI. Economic Incentive Program

Section 78-100. Purpose.

The City council has determined that it is in the best interests of the City to adopt a program which will encourage and promote economic development within the City and serve to increase the sales tax revenue for the City.

Section 78-101. Qualifications.

To qualify for participation in the Economic Incentive Program, an applicant must be able to provide the City with evidence of the following:

- A. (1) Purchase of a vacant property and completed construction of a building for the operation of a qualified business;

- (2) Purchase of an existing building in a commercially zoning district for the purpose of operating a qualified business; or
 - (3) Presenting the City with qualified business lease(s) which reduce the existing vacancies of a shopping center by 75% based upon the total square footage of the vacancies immediately prior to entering into the lease(s) to operate a qualified business. The qualified business must begin conducting its business prior to December of the year the lease(s) are executed.
- B. To qualify under paragraphs A(1) and A(2) above, the purchase must result in the actual payment to the City of a Real Estate Transfer Tax and not an exempt processing fee.
 - C. As used in this Article, "qualified business" shall be a business which pays the city taxes pursuant to Chapter 102, "Taxation", Article II of the Code of Ordinances.
 - D. The application for program participation shall be presented to the Economic Development Committee for its review. The Economic Development Committee shall be a recommending body to the City Council for final council action on the request for participation in the Economic Incentive Program. In the event the City Council approves the application for participation in the incentive program, the amount of participation shall be as provided in Section 78-102.

Section 78-102. Program Participation.

- 1. In the event a qualification is based upon section 78-101 A(1), the extent of participation shall be as follows:
 - (a) In the event that an applicant has acquired vacant property, constructed a new building and opened a qualified business prior to August of the same year, the City shall pay the applicant an amount equal to the actual transfer taxes paid to the City as a result of the purchase of the property. The payment from the City shall be made to the applicant during the last quarter of the following year.
 - (b) In the event that the applicant has opened the qualified business after August of the year the property was acquired and before the end of the following calendar year, the City shall pay the applicant an amount equal to 2/3rds of the actual transfer taxes paid to the City as a result of the purchase of the property. The payment from the City shall be made in the last quarter of the year following the opening of the qualified business.

2. (a) In the event that an applicant qualifies under section 101 A(2) and purchases the property, opens up a qualified business within 120 days of closing the purchase and the qualified business opens prior to August of the same year, the City shall pay the applicant an amount equal to the actual transfer taxes paid as a result of the purchase of the property. The payment from the City shall be made to the applicant during the last quarter of the following year.
- (b) In the event the applicant qualifies under section 101 A(2) and the qualified business is opened after July of the year of purchase, but prior to the end of the following calendar year, the City shall pay the applicant an amount equal to 2/3rds of the actual transfer taxes paid to the City as a result of the purchase of the property. The payment from the City shall be made to the applicant during the last quarter of the calendar year following the opening of the qualified business.
3. In the event qualification is based on Section 101A(3), the property owner may apply to the City for sales tax and, if applicable, food and beverage tax sharing equal to one month of base rent for the qualified business(s) renting the vacant space. The City's obligation to pay the owner the tax sharing payment would be subject to the qualified business(s) continued operation of qualified business(s) in the leased space for a period in excess of one year and would be paid during the last quarter of the second year following lease of the vacant space.
4. The payment from the City to the applicant is conditioned upon the applicant being current in any obligation due the City.

Section 78-103. Sunset Clause.

This Article VI, shall be of no further force or effect from and after December 31, 2014, unless prior thereto the City Council extends the effective date of the program. If the City Council extends the program beyond December 31, 2014, then each three (3) years thereafter the program shall expire and be of no further force and effect unless prior to the expiration date the City Council extends the effective date of the program

Section Two: This Ordinance shall be printed and published in pamphlet form by order of the City Council of the City of Rolling Meadows, Illinois.

Section Three: This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

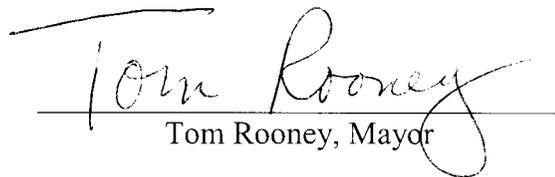
AYES: Allen, Buske, D'Astice, Larsen

NAYS: Cannon, Judd, Banger

ABSENT: 0

Passed this 6th day of December 2011.

Approved this 6th day of December 2011.


Tom Rooney, Mayor

ATTEST:


Ginny Cotugno, Deputy City Clerk

Published this 7th day of December 2011.


Ginny Cotugno, Deputy City Clerk