



City of Rochelle
Economic Development Department

Memo

To: City Manager Dave Plyman

From: Jason Anderson

Date: November 17, 2015

Re: Lee Ogle Enterprise Zone

New legislation in the State of Illinois has opened the door for Ogle County and the City of Rochelle to have a designated Enterprise Zone. The new zone would encompass the Cities of Dixon and Rochelle and include Commercial, Retail and Industrial zoned properties within the Cities as well as in unincorporated properties in the counties. Under the new legislation 4 units of government can join together to form a new zone which, has been named the Lee - Ogle Enterprise Zone and will include 9,600 acres evenly divided between the two counties and both cities. Of the 9,600 acres ~1000 acres will be "undesignated" which will allow for other communities to adopt the EZ at a later date if an economic development opportunity should become available in other communities.

Also as part of the Intergovernmental agreement to form the the EZ there is a tax abatement incentive which will apply to approved projects with in the zone. The tax abatement is the same as the current tax abatement in the current Enterprise Zone. Taxes on incremental increase of EAV would be at 50% for six years. Each of the 42 taxing districts within the proposed zone are being asked to approve the tax abatement under the Enterprise Zone application.

The deadline for applications fro the new EZ are due by Dec 31, 2015 with an expected announcement of Enterprise Zone awards expected in Sept of 2016. Staff recommends that the City Council pass the resolution creating the Lee - Ogle County Enterprise Zone..