

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois authorized to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the State of Illinois has enacted 35 ILCS 45/Art. 110 ("MICRO Act") which provides financial incentives to eligible Illinois-based semiconductor manufacturers, microchip manufacturers, quantum computer manufacturers, and companies that primarily engage in research and development in the manufacturing of quantum computers, semiconductors, or microchips; and

WHEREAS, the Cook County Board of Commissioners has enacted the Real Property Assessment Classification Ordinance, as amended from time to time (the "County Ordinance"), which provides for, among other things, real estate tax incentives to property owners who build, rehabilitate, enhance and occupy property which is located within Cook County, Illinois and which is used primarily for industrial purposes; and

WHEREAS, one of the real property assessment classifications created under the County Ordinance is the Class 8 MICRO classification (the "Class 8 MICRO Classification"); and

WHEREAS, the Class 8 MICRO Classification provides tax incentives to property owners whose real estate is used for the manufacture, research or development of semiconductors, microchips, quantum computers, associated component parts, and services provided in support thereof in a manner consistent with 35 ILCS 45/Art. 110 and which is located in an area which has been certified as in need of substantial revitalization; and

WHEREAS, municipalities, such as the City may apply to the Office of the Cook County Assessor (the "Assessor") to certify areas within its jurisdiction as "in need of substantial revitalization" (as defined in Section 74-62 of the County Ordinance) for real estate to be eligible for Class 8 MICRO Classification; and

WHEREAS, Section 74-65(i) of the County Ordinance provides that prior to certification of an area by the Assessor as an area in need of substantial revitalization, the municipality in which the area is located must determine by lawful resolution that the area is in a state of economic depression for which it is not economically feasible for private enterprise to accomplish the necessary modernization, rehabilitation, and development of the area without public assistance and encouragement, or a determination of similar import; and

WHEREAS, the City, consistent with the MICRO Act and the County Ordinance, desires to induce industrial and commercial development to locate and expand in the City; and

WHEREAS, the City has prepared a report entitled The IQMP Class 8 MICRO Designation Report attached as Exhibit 1 (the "Report") which confirms that the area legally described in Exhibit 2 (the "Area") is in a state of economic depression and that it is not economically feasible

for private enterprise to accomplish the necessary modernization, rehabilitation, and development of the Area without public assistance and encouragement; and

WHEREAS, the City has determined that the Area meets the eligibility requirements for a Class 8 MICRO Classification and recommends to the City Council that (a) the City determine by ordinance that the Area is in a state of economic depression for which it is not economically feasible for private enterprise to accomplish the necessary modernization, rehabilitation, and development of the area without public assistance and encouragement, and (b) the Commissioner of Planning and Development be authorized to submit an application to the Assessor to have the Area certified as an area in need of substantial revitalization;

WHEREAS, once the Area is certified by the Assessor as an area in need of substantial revitalization, applicants may develop property (each, a "Subject Property") within the Area in a manner which may cause it to become eligible for a Class 8 MICRO Classification under the County Ordinance; and

WHEREAS, applicants may file with the Assessor an eligibility application for a Class 8 MICRO Classification under the County Ordinance with respect to a Subject Property ("Application"); and

WHEREAS, it is the responsibility of the Assessor to determine that an Application is eligible pursuant to the County Ordinance; and

WHEREAS, the County Ordinance requires that, in connection with the filing of an Application with the Assessor, applicants must obtain from an authorized officer of the municipality in which the Subject Property is located a letter describing the redevelopment objective of the municipality, stating the applicant's intended use of the property, and stating that an Economic Disclosure Statement was received and filed by the municipality; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO, AS FOLLOWS:

SECTION 1. The above recitals are hereby expressly incorporated as if fully set forth herein.

SECTION 2. The City hereby determines that the Area is in a state of economic depression and that it is not economically feasible for private enterprise to accomplish the necessary modernization, rehabilitation and development of the Area without public assistance and encouragement.

SECTION 3. The City hereby determines that the Area is eligible for certification by the Assessor as "in need of substantial revitalization" under the County Ordinance for purposes of the Class 8 MICRO Classification in that it is an area no less than ten (10) contiguous acres or more than one (1) contiguous square mile in size which is in a state of extreme economic depression evidenced by such factors as: (a) substantial unemployment; (b) a low level of median family income; (c) aggravated abandonment, deterioration, and underutilization of properties; (d) a lack of viable industrial and commercial building whose absence significantly contributes to the

depressed economic and unemployment conditions in the Area; (e) a clear pattern of stagnation or decline of real estate taxes within the Area as a result of its depressed condition; (f) a manifest lack of economic feasibility for private enterprise to accomplish the necessary modernization, rehabilitation and development of the Area without public assistance and encouragement; and (g) other factors which evidence an imminent threat to public health, welfare and safety, all as described in the Report.

SECTION 4. The Commissioner of Planning and Development (the "Commissioner"), or a designee of the Commissioner (each an "Authorized Officer"), is hereby authorized and directed to deliver a copy of this ordinance, certified by the City Clerk of the City, to the Assessor, apply for certification of the Area as one in need of substantial revitalization with the Assessor, and to submit such additional documentation and supporting data as may be necessary and relevant to the Assessor's determination of the Area's eligibility for the certification .

SECTION 5. Subject to review of each project on each Subject Property by an Authorized Officer, and expressly conditioned upon a written final determination of the eligibility of each project on each Subject Property and a verification of an accurate final legal description and correct Permanent Index Numbers for each Subject Property by an Authorized Officer, including the City's redevelopment objective, the Applicant's intended use of the Subject Property and confirmation that the City has received and filed an Economic Disclosure Statement (together with such other information as may be required in a letter described in Sections 74-63(14), the "Letter"), the Authorized Officer is hereby authorized to execute and deliver such documents, including without limitation each Letter, as may be necessary to implement this ordinance, subject to the approval of the Corporation Counsel.

SECTION 6. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Section 2-8-065 of the Municipal Code of Chicago is hereby amended by adding the language underscored, as follows:

2-8-065 Discounted or waived fees – Restrictions.

(Omitted text is unaffected by this ordinance.)

(c) *Exemptions.* The requirements of this section shall not apply to any ordinance or amendment thereto authorizing individual fee waivers: (1) for any governmental entity, as defined in subsection (a) of this section, or (2) in connection with a block party, or (3) in connection with the waiver under Section 2-120-815 of any fee charged by the City for the issuance of any permit requiring approval of the Commission on Chicago Landmarks, or (4) in connection with a Department of Water Management Lead Service Line Replacement Program created within the authority granted in Article IX of Chapter 11-12, or (5) pursuant to the authority granted to the Commissioner of Housing to support neighborhood revitalization efforts under Section 2-44-140, or (6) in connection with a waiver granted under Section 2-45-140.

(Omitted text is unaffected by this ordinance.)

SECTION 8. Chapter 2-45 of the Municipal Code of Chicago is hereby amended by adding a new Section 2-45-140, as follows:

2-45-140 Fee waivers for Class 8 MICRO projects.

(a) The following fees shall be waived in connection with any permit or review application for any project receiving a Class 8 MICRO Classification pursuant to the State of Illinois MICRO Act (35 ILCS 45/110-1 et. seq.), Section 74-65 of the County ordinance and a City ordinance designating such project area:

1. All fees for permits issued by the City's Department of Water Management;
2. All fees for permits issued by the City's Department of Buildings under Chapter 11-12, Chapter 11-16, Chapter 11-18, and Article XIII of Chapter 13-20 of this Code;
3. All fees for permits issued by the City's Department of Public Health under Chapter 11-4 of this Code;
4. All fees for permits issued by the City's Fire Department under Chapter 15-16 of this Code;
5. All fees issued by the Chicago Department of Transportation for permits related to construction in the public way under Chapter 10-20, or public way use under Chapters 10-28 and 10-29 of this Code;
6. All fees required under Section 17-13-0103 of the Chicago Zoning Ordinance;
7. The Part II review fee required for planned developments under Section 17-13-0610 of the Chicago Zoning Ordinance; and
8. The fee to review and process a request for minor change approval required under Section 17-13-0611-D of the Chicago Zoning Ordinance.

(b) In addition to the fee waivers specified in subsection (a) of this section, any generally applicable fee waiver authorized under this Code may be granted in connection with any permit or review application for any qualifying project receiving a Class 8 MICRO Classification pursuant to State of Illinois MICRO Act (35 ILCS 45/110-1 et. seq.), Section 74-65 of the County ordinance and a City ordinance designating such project area.

SECTION 9. : In addition to any other applicable fee waiver, any project receiving a Class 8 MICRO Classification pursuant to the State of Illinois MICRO Act (35 ILCS 45/110-1 et. seq.), Section 74-65 of the County ordinance and a City ordinance designating such project area, shall receive a waiver for permit, inspection, or approval fees charged pursuant to Title 14A of the Municipal Code of Chicago.

SECTION 10. Effective Date. This ordinance shall be effective as of the date of its passage and approval.