

New Single Family Residential Enterprise Zone Application Packet

The Enterprise Zone is a cooperative effort
between the City and County of Champaign



City of Champaign
102 N. Neil St
Champaign, IL 61820
217/ 403-8710
EnterpriseZone@ci.champaign.il.us



Champaign County
1776 E. Washington
Urbana, IL 61802
217 / 328-3312
klarson@ccrpc.org

CITY OF CHAMPAIGN-CHAMPAIGN COUNTY ENTERPRISE ZONE

In July of 1986, the State of Illinois certified the establishment of the City of Champaign-Champaign County Enterprise Zone. The Zone is the result of legislative action which has committed the State to stimulating economic growth and neighborhood revitalization. The Enterprise Zone is the culmination of efforts put forth by the City of Champaign and Champaign County to encourage private investment in areas targeted for development, redevelopment or rehabilitation.

Upon approval of the Enterprise Zone application, the applicant will receive a letter of certification and become eligible for certain property and sales tax abatements.

This packet provides general information regarding the Enterprise Zone and assistance in completing the application. Definitions, a map of the Enterprise Zone, and persons to contact for assistance are also provided. A copy of the local ordinance may also be found from the City's website at <http://www.ci.champaign.il.us> and by linking to the Municipal Code/Enterprise Zone <http://www.municode.com/resources/gateway.asp?pid=10520&sid=13>.

ELIGIBILITY CRITERIA

To be eligible for incentives, three basic criteria must be met: location, timing and project definition.

Location - A project must be located within the area designated as the City of Champaign-Champaign County Enterprise Zone. The Zone encompasses approximately 9.5 square miles of land in and around the City of Champaign. To determine whether a project site is located within the Zone, refer to the attached map or contact the City Manager's Office at 217-403-8710. Projects within a Tax Increment Finance (TIF) District are not eligible for property tax abatements. These projects may still qualify for sales tax abatements.

Project Timing - For eligible projects, applications must be submitted with building-related permit applications prior to any site preparation, site improvements or construction of any buildings.

Project Definition - In order to qualify as a new construction, single family residential project, the primary use of the land and buildings must be for a single family dwelling unit.

INCENTIVES FOR DEVELOPMENT

The following Enterprise Zone incentives pertain to new, single family residential projects:

LOCAL INCENTIVES

Real Estate Tax Abatement - Upon completion of improvements to the property, and reassessment by the Township Assessor, the City and County will abate 100% of the taxes on the increase in assessment resulting from the improvement. The abatement is for a five (5) year period, beginning with the tax year in which the total new assessment is in effect. Properties located within a Tax Increment Finance (TIF) District are not eligible for property tax abatement.

(Note: Due to the lapse in time between building permits being issued and the complete assessment being in place it may be 1 to 3 years before this abatement first appears on the tax bill).

Sample Property Tax Abatement Calculation:

1. Value of Improvement	\$100,000
2. Equalized Assessed Value (#1 x .33)	\$ 33,000
3. Total 2007 Tax Rate (payable 2008)	\$ 7.3491
4. Total Tax Bill (EAV/100 x Tax Rate)	\$ 2,425
5. City & County Rates (1.2659 + 0.7616)	\$ 2.0275
6. Tax Abatement (EAV/100) x #5)	\$ 669
7. Tax Bill after the abatement	\$ 1,756

Sales Tax Exemption - In order to receive the sales tax exemption, the purchaser must comply with the following:

- 1) Apply to the City of Champaign Zone Administrator for Enterprise Zone incentives. If the Zone Administrator determines that the project meets the criteria, the applicant will receive a "Certificate of Eligibility".
- 2) Only building materials purchased within the State of Illinois through a legitimate building materials retailer or distributor are subject to the sales tax exemption.
- 3) The materials purchased must be permanently affixed to the real estate.
- 4) To receive the sales tax exemption, the purchaser must present a valid "Certificate of Eligibility" and complete a purchaser's statement. The retailer should keep the purchaser's statement for their file.

Building materials installed by the retailer making the sale, are not eligible for this incentive, unless the retailer's supplier is located in the State of Illinois. For further information, contact the Illinois Department of Revenue.

ENTERPRISE ZONE ADMINISTRATION

The Champaign City Council, the Champaign County Board, the Enterprise Zone Administrator and the Deputy Zone Administrator, or their designees, are responsible for the successful administration of the policies and incentives of the Enterprise Zone. The City Council and the County Board establish procedures for the operation and management of the Zone, as well as hearing appeals and making final decisions. Projects located within the City of Champaign are reviewed by the Zone Administrator or designee; properties located within unincorporated areas of Champaign County are reviewed by the Deputy Zone Administrator or designee.

APPEALS PROCESS

Any applicant may seek relief from decisions or determinations of the Zone Administrator through an appeal to the governing body with jurisdiction. The governing body with jurisdiction will review the facts associated with the grievance and arrive at a determination based upon its review of the case.

VIOLATIONS AND PENALTIES

No person shall knowingly misrepresent facts in order to receive tax abatement or any other incentives provided for in the Enterprise Zone Ordinance, nor present a Certificate of Eligibility for purposes of purchasing building materials to be used on any premises other than that for which the Certificate was issued. Any representation affecting the determination of project eligibility or the determination of the percentage tax abatement shall be accurate.

In addition to other penalties provided for by law, an initial determination of any alleged violation will be made by the Zone Administrator or designee who will notify the property owner of the alleged violation by certified mail at least fifteen (15) days before any further action is taken. The property owner may, within fifteen (15) days after receipt of the notification, submit a written appeal for review by the governing body of the jurisdiction within which such alleged violation is located. Such written appeal must be submitted to the Zone Administrator or Deputy Zone Administrator. If the alleged violator fails to appeal the initial determination of violation or if the determination is upheld by the governing body having jurisdiction, the alleged violator will be subject to the following administrative penalties: a) the revocation of any tax abatements provided under the terms of the Zone Ordinance and retroactive collection of all taxes due on the property from the date on which the abatement became effective along with interest equal to that which would otherwise be assessed on delinquent property tax payments for the period in which the abatement was in effect; b) revocation of any Certificate of Eligibility issued in connection with any project involved in the violation; and c) loss of eligibility of the subject property for any other incentive or targeted program provided for in the Enterprise Zone Ordinance.

DEFINITIONS	
Building Materials Retailer and/or Distributor	Any firm selling building materials that can be incorporated into real estate and possessing a tax number for resale from the Illinois Department of Revenue.
Dwelling Unit	One (1) room, or a suite of two (2) or more rooms in a building, designed for or used by one (1) family for living and sleeping purposes.
Expansion	The construction of any part of a building that results in an increase in any exterior dimension of an existing building and has at least one wall or floor in common with an existing building.
Family	A person living alone, or two (2) or more persons living together as a single housekeeping unit in a dwelling unit, as distinguished from a group occupying a rooming house, motel or hotel, fraternity or sorority house; provided, however, that for the purpose of definition, "family" shall not include more than four (4) persons unrelated to each other by blood, marriage, or legal adoption.
Multiple-Family Building	A building containing more than one (1) dwelling unit.
Rehabilitation	The improvement of any part of an existing building that does not result in an increase in any exterior dimension of the building.
Residential projects	Those projects where the primary use of the project land and building(s) is a dwelling unit or dwelling units.
Rooming house	A single-family building that has as a primary use the provision of more than two (2) but less than six (6) rooms for lodging, with or without meals, that are provided for compensation by pre-arrangement and for definite periods of time but which is not open to transient guests.
Single-family building	A building with a primary use of one dwelling unit. A building containing more than one dwelling unit shall not be considered a single-family building under this ordinance.

For Additional Information:

Applications and Local
Incentives/
Enterprise Zone Administrator

Teri Legner
City Manager's Office
102 North Neil Street
Champaign, IL 61820
(217) 403-8710

Deputy Enterprise
Zone Administrator

Kathy Larson
Champaign County Regional Planning Commission
1776 East Washington
Urbana, IL 61802
(217) 328-3313

State Incentives:

Mark Gauss
Illinois Department of Commerce & Community Affairs
620 East Adams
Springfield, IL 62701
(217) 524-4145

**CITY OF CHAMPAIGN - CHAMPAIGN COUNTY ENTERPRISE ZONE
RESIDENTIAL PROJECT APPLICATION FORM**

INSTRUCTIONS:

1. SUBMIT APPLICATIONS TO THE CITY OF CHAMPAIGN, BUILDING SAFETY DIVISION, 307 SOUTH RANDOLPH, CHAMPAIGN.
2. TO RECEIVE ENTERPRISE ZONE BENEFITS, SUBMIT COMPLETED ENTERPRISE ZONE AND BUILDING-RELATED PERMIT APPLICATIONS AT THE SAME TIME.
3. ENTERPRISE ZONE CERTIFICATE OF ELIGIBILITY WILL BE MAILED OUT AFTER BUILDING-RELATED PERMITS ARE BE ISSUED.

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Questions concerning this application should be directed to:

Teri Legner  
City Manager's Office  
102 North Neil Street  
Champaign, IL 61820  
(217) 403-8710  
teri.legner@ci.champaign.il.us

Additional copies of Enterprise Zone packets may be found one the City's website at [www.ci.champaign.il.us](http://www.ci.champaign.il.us).

**CITY OF CHAMPAIGN - CHAMPAIGN COUNTY ENTERPRISE ZONE  
NEW, SINGLE FAMILY RESIDENTIAL PROJECT APPLICATION FORM**

**PROJECT INFORMATION**

1. Name of Project: \_\_\_\_\_

2. Project Address: \_\_\_\_\_, Champaign, IL

3. Property Tax I.D. Number: \_\_\_ - \_\_\_ - \_\_\_ - \_\_\_ - \_\_\_

(May be obtained from last year's real estate tax bill. If a tax bill is not available, contact:  
Champaign County Supervisor of Assessments, 201 E. Main, Urbana, IL 61801, 217-384-3760.)

4. Name of Property Owner: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

5. Contact Person: (if different from owner)

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

6. General Description of Proposed Project:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Estimated Cost of:

Site \$ \_\_\_\_\_

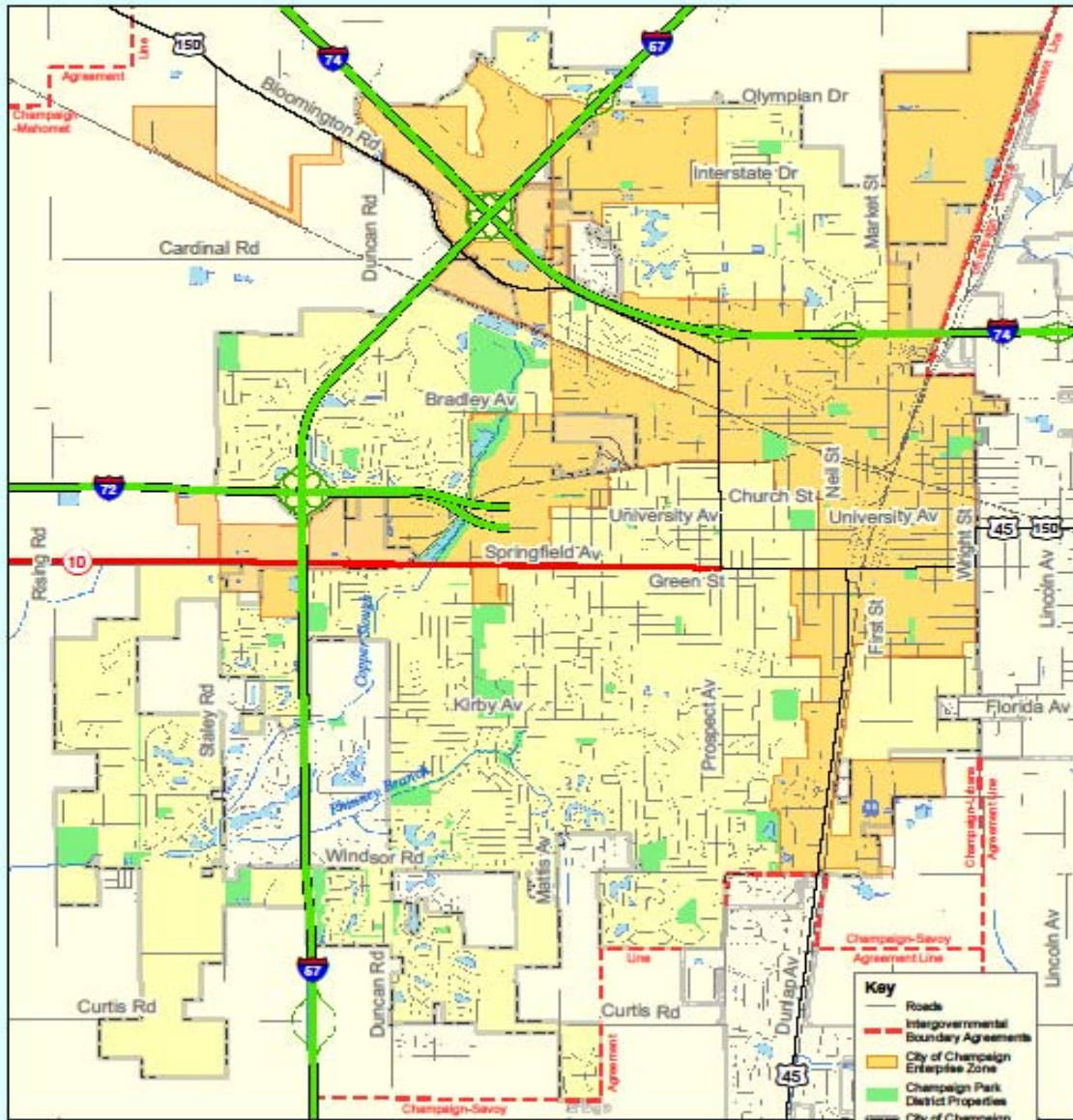
New Construction \$ \_\_\_\_\_

Total \$ \_\_\_\_\_

8. Expected Starting Date of Construction: \_\_\_\_\_

Date of Occupancy: \_\_\_\_\_





**DISCLAIMER:**  
This map was prepared by the City of Champaign IT Department using the City of Champaign Geographic Information System (GIS). All information is believed accurate but is NOT guaranteed to be without error. This map and its underlying data is intended to be used as a general index to land related information and is not intended for detailed, site-specific analysis.

0 0.25 0.5 0.75 1  
Miles  
Map Temporal Status Date: 10/21/08



| Key |                                       |
|-----|---------------------------------------|
|     | Roads                                 |
|     | Intergovernmental Boundary Agreements |
|     | City of Champaign Enterprise Zone     |
|     | Champaign Park District Properties    |
|     | City of Champaign Municipal Boundary  |
|     | Other Municipal Boundaries            |

Multiple geo-data layers provided by the Champaign County GIS Consortium