



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB2647

by Rep. Thaddeus Jones - William Davis

SYNOPSIS AS INTRODUCED:

20 ILCS 607/3-10
20 ILCS 607/3-20

Amends the Brownfields Redevelopment and Intermodal promotion Act. Expands the South Suburban Brownfields Redevelopment Zone to include Alsip, Blue Island, Burnham, Calumet city, Calumet park, Chicago Heights, County Club Hills, Crestwood, Flossmoor, Ford Heights, Glenwood, Lansing, Lynwood, Matteson, Midlothian, Oak Forest, Olympia Fields, Orland Hills, Orland Park, Park Forest, Richton Park, Robbins, Sauk Village, South Chicago Heights, Steger, Tinley Park, University Park, Worth. Extends the life of the South Suburban Brownfields redevelopment fund to accommodate development agreements extend through 2026 (currently 2021).

LRB101 09614 JWD 54712 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Brownfields Redevelopment and Intermodal
5 Promotion Act is amended by changing Section 3-10 and 3-20 as
6 follows:

7 (20 ILCS 607/3-10)

8 Sec. 3-10. Definitions. As used in this Act:

9 "Affected Municipality" means a municipality whose
10 boundaries are partially or completely within the Brownfields
11 Redevelopment Zone and where an Eligible Project will take
12 place.

13 "Developer Agreement" means the agreement between an
14 eligible developer or eligible employer and the Department
15 under this Act.

16 "Brownfield" means real property, the expansion,
17 redevelopment, or reuse of which may be complicated by the
18 presence or potential presence of a hazardous substance,
19 pollutant, or contaminant; for the purposes of this Act, a
20 property will be considered a brownfield if a prospective
21 purchaser seeking financing from a private financial
22 institution is required by that institution to conduct a Phase
23 I Environmental Site Assessment (ESA), as defined by ASTM

1 Standard E-1527-05 ("Standard Practice for Environmental Site
2 Assessments: Phase I Environmental Site Assessment Process").

3 "Department" means the Department of Commerce and Economic
4 Opportunity.

5 "Director" means the Director of the Department of Commerce
6 and Economic Opportunity.

7 "Eligible Developer" means an individual, partnership,
8 corporation, or other entity, currently and actively engaged in
9 the development of logistics, warehousing, distribution, or
10 light manufacturing facilities in North America, including the
11 Managing Partner of the South Suburban Brownfields
12 Redevelopment Zone, that owns, options, or otherwise directly
13 controls a parcel of land that is included in a South Suburban
14 Brownfields Redevelopment Zone Project.

15 "Eligible employer" means an individual, partnership,
16 corporation, or other entity that employs or will employ
17 full-time employees at finished facilities on property that is
18 within the South Suburban Brownfields Redevelopment Zone.

19 "Employment goal" means the goal of achieving a minimum
20 percentage of labor hours to be performed by employees who are
21 a member of a minority group and who reside in one of the
22 municipalities containing property that is part of the South
23 Suburban Brownfields Redevelopment Zone.

24 "Full-time employee" means an individual who is employed
25 for consideration for at least 35 hours each week or who
26 renders any other standard of service generally accepted by

1 industry custom or practice as full-time employment. An
2 individual for whom a W-2 is issued by a Professional Employer
3 Organization is a full-time employee if employed in the service
4 of the eligible employer for consideration for at least 35
5 hours each week or who renders any other standard of service
6 generally accepted by industry custom or practice as full-time
7 employment.

8 "Eligible Project" means those projects described in
9 Section 3-35 of this Act.

10 "Incremental income tax" means the total amount withheld
11 from the compensation of new employees under Article 7 of the
12 Illinois Income Tax Act arising from employment by an eligible
13 employer.

14 "Infrastructure" means roads and streets, bridges,
15 sidewalks, street lights, water and sewer line extensions or
16 improvements, storm water drainage and retention facilities,
17 gas and electric utility line extensions or improvements, and
18 rail improvements including signalization and siding
19 construction or repair, on publicly owned land or other public
20 improvements that are essential to the development of a
21 Redevelopment Zone Project.

22 "Intermodal" means a type of international freight system
23 that permits transshipping among sea, highway, rail and air
24 modes of transportation through use of ANSI/International
25 Organization for Standardization containers, line haul assets,
26 and handling equipment.

1 "Intermodal terminal" means an integrated facility where
2 trailers and containers are transferred between intermodal
3 railcars and highway carriers, including domestic and
4 international container shipments; or an integrated facility
5 where dry or liquid bulk and packaged commodities are
6 transferred between conventional railroad freight cars and
7 highway carriers.

8 "Managing Partner" means a representative of Cook County
9 appointed by the President of the Board of Commissioners of
10 Cook County or a duly created instrumentality of the County
11 which enters into an agreement with the Department as described
12 in subsection (c) of Section 3-30 of this Act regarding the
13 overall management and use of Increment Funds and which is
14 authorized by the County to undertake, or to enter into
15 Development agreements with third parties to undertake,
16 activities necessary for the redevelopment of parcels
17 designated under this Act as part of a South Suburban
18 Brownfields Redevelopment Zone. For the purposes of this
19 definition, a "duly created instrumentality of the county" is a
20 company that:

21 (1) is licensed to conduct business in the State of
22 Illinois;

23 (2) has (i) executed industrial developments of the
24 type described as "eligible projects" in Section 3-35 and
25 duly met all of its financial obligations entailed in those
26 projects and (ii) managed each of the types of tasks

1 described in Section 3-45 of this Act as "eligible
2 activities", performing those activities with results that
3 met or exceeded the objectives of the project, or otherwise
4 possesses the business experience described in this item
5 (2);

6 (3) is selected through a competitive Request for
7 Proposals process conducted according to rules and
8 standards generally applicable to the selection of
9 professional service contractors by the government of Cook
10 County.

11 "Minority" means a person who is a citizen or lawful
12 permanent resident of the United States and who is:

13 (i) African American, meaning a person whose origins
14 are in any of the Black racial groups of Africa, and who
15 has historically and consistently identified himself or
16 herself as being such a person;

17 (ii) Hispanic American or Latino American, meaning a
18 person whose origins are in Mexico, Central or South
19 America, or any of the Spanish speaking islands of the
20 Caribbean (for example Cuba and Puerto Rico), regardless of
21 race, and who has historically and consistently identified
22 himself or herself as being such a person;

23 (iii) Asian or Pacific Islander American, meaning a
24 person whose origins are in any of the original peoples of
25 the Far East, Southeast Asia, the islands of the Pacific or
26 the Northern Marianas, or the Indian Subcontinent, and who

1 has historically and consistently identified himself or
2 herself as being such a person; or

3 (iv) Native American, meaning a person having origins
4 in any of the original peoples of North America, and who
5 maintain tribal affiliation or demonstrate at least
6 one-quarter descent from such groups, and who has
7 historically and consistently identified himself or
8 herself as being such a person.

9 "New employee" means a full-time employee first employed by
10 an eligible employer for a project that is the subject of an
11 agreement between the Managing Partner and an eligible
12 developer or eligible employer and who is hired after the
13 eligible developer enters into the agreement, but does not
14 include:

15 (1) an employee of the eligible employer who performs a
16 job that (i) existed for at least 6 months before the
17 employee was hired and (ii) was previously performed by
18 another employee;

19 (2) an employee of the eligible employer who was
20 previously employed in Illinois by a related member of the
21 eligible employer and whose employment was shifted to the
22 eligible employer after the eligible employer entered into
23 the agreement; or

24 (3) a child, grandchild, parent, or spouse, other than
25 a spouse who is legally separated from the individual, of
26 any individual who has a direct or an indirect ownership

1 interest of at least 5% in the profits, capital, or value
2 of the eligible employer.

3 Notwithstanding item (2) of this definition, an employee
4 may be considered a new employee under the agreement if the
5 employee performs a job that was previously performed by an
6 employee who was: (i) treated under the agreement as a new
7 employee and (ii) promoted by the eligible employer to another
8 job.

9 "Professional Employer Organization" means an employee
10 leasing company, as defined in Section 206.1(A)(2) of the
11 Unemployment Insurance Act.

12 "Related member" means a person or entity that, with
13 respect to the eligible employer during any portion of the
14 taxable year, is any one of the following:

15 (1) an individual stockholder, if the stockholder and
16 the members of the stockholder's family (as defined in
17 Section 318 of the Internal Revenue Code) own directly,
18 indirectly, beneficially, or constructively, in the
19 aggregate, at least 50% of the value of the eligible
20 employer's outstanding stock;

21 (2) a partnership, estate, or trust and any partner or
22 beneficiary, if the partnership, estate, or trust, and its
23 partners or beneficiaries own directly, indirectly,
24 beneficially, or constructively, in the aggregate, at
25 least 50% of the profits, capital, stock, or value of the
26 eligible employer;

1 (3) a corporation, and any party related to the
2 corporation in a manner that would require an attribution
3 of stock from the corporation to the party or from the
4 party to the corporation under the attribution rules of
5 Section 318 of the Internal Revenue Code, if the taxpayer
6 owns directly, indirectly, beneficially, or constructively
7 at least 50% of the value of the corporation's outstanding
8 stock;

9 (4) a corporation and any party related to that
10 corporation in a manner that would require an attribution
11 of stock from the corporation to the party or from the
12 party to the corporation under the attribution rules of
13 Section 318 of the Internal Revenue Code, if the
14 corporation and all such related parties own in the
15 aggregate at least 50% of the profits, capital, stock, or
16 value of the eligible employer; or

17 (5) a person to or from whom there is attribution of
18 stock ownership in accordance with Section 1563(e) of the
19 Internal Revenue Code, except, for purposes of determining
20 whether a person is a related member under this definition,
21 20% shall be substituted for 5% wherever 5% appears in
22 Section 1563(e) of the Internal Revenue Code.

23 "South Suburban Brownfields Advisory Council" or "Advisory
24 Council" means a body comprised of representatives of Affected
25 Municipalities, along with experts appointed by the President
26 of the Cook County Board of Commissioners and the Governor of

1 Illinois, created to guide development within the South
2 Suburban Brownfields Redevelopment Zone.

3 "South Suburban Brownfields Redevelopment Zone Project" or
4 "Project" means an Eligible Project, as described in Section
5 3-35, to coordinate the redevelopment and re-use of industrial
6 sites within the South Suburban Brownfields Redevelopment Zone
7 in southern Cook County.

8 "South Suburban Brownfields Redevelopment Zone",
9 "Brownfields Redevelopment Zone" or "Zone" means the area fully
10 encompassing all properties, acreage, and structures,
11 including sites that conform to the Environmental Protection
12 Agency definition of Brownfield Industrial Sites, that are
13 zoned for industrial uses by the applicable local zoning
14 agency: (i) which are located within the South suburban Cook
15 County municipalities of Alsip, Blue Island, Burnham, Calumet
16 city, Calumet park, Chicago Heights, County Club Hills,
17 Crestwood, Flossmoor, Ford Heights, Glenwood, Lansing,
18 Lynwood, Matteson, Midlothian, Oak Forest, Olympia Fields,
19 Orland Hills, Orland Park, Park Forest, Richton Park, Robbins,
20 Sauk Village, South Chicago Heights, Steger, Tinley Park,
21 University Park, and Worth; and (ii) which are located within
22 the following South Suburban Cook County municipalities that
23 surround the Canadian National and Union Pacific intermodal
24 freight terminals in Harvey and Dolton, Illinois respectively:
25 Dixmoor, Dolton, East Hazelcrest, Harvey, Hazelcrest,
26 Homewood, Markham, Phoenix, Posen, Riverdale, South Holland

1 and Thornton.

2 The South Suburban Brownfields Advisory Council shall advise
3 the Managing Partner in regard to the selection of Projects.
4 The composition of the Advisory Council is determined as set
5 forth in subsection (a) of Section 3-30 of this Act.

6 (Source: P.A. 98-109, eff. 7-25-13.)

7 (20 ILCS 607/3-20)

8 Sec. 3-20. South Suburban Brownfields Redevelopment Fund;
9 eligible projects. In State fiscal years 2015 through 2026
10 ~~2021~~, all moneys in the South Suburban Brownfields
11 Redevelopment Zone Fund shall be held solely to fund eligible
12 projects undertaken pursuant to the provisions of Section 3-35
13 of this Act and performed either directly by Cook County
14 through a development agreement with the Department, by an
15 entity designated by Cook County through a development
16 agreement with the Department to perform specific tasks, or by
17 an Eligible Developer or an Eligible Employer through a
18 development agreement. All Eligible Projects are subject to
19 review and approval by the Managing Partner and by the
20 Department. The life span of the Fund is extended until 2035,
21 to facilitate development agreements entered into through 2026
22 ~~may be extended past 2026 by law.~~

23 (Source: P.A. 98-109, eff. 7-25-13.)