

**Illinois Enterprise Zone Program
Application for New Designation
Appendix D**

APPLICATION EVALUATION

Applicants compete in a formalized scoring and ranking system. Applications undergo an initial review by the Department to determine if the application meets at least three (3) of the qualifying criteria listed below (as provided in Section 4(1)(f) of the Act and 14 Ill. Admin. Code § 520.210). Upon meeting the minimum eligibility thresholds, applications will be formally scored by the Department. **To maximize their score, applicants should answer as many of the ten (10) qualifying criteria as possible.**

The Department shall issue recommendations to the Board by assigning a score to each application. The scores will be determined by the Department, based on the extent to which an application meets the criteria under Section 4(1)(f) of the Act and Section 520.210. For additional information with respect to the scoring system, applicants should review Section 4.1 of the Act and 14 Ill. Admin. Code § 520.250(b).

- 1) Up to 50 points to the extent which the applicant meets or exceeds Criteria 1, with points awarded according to the severity of the unemployment as indicated by the percentage that the unemployment rate in the LLMA exceeds 120% of the State's annual average unemployment rate for the most recent calendar year or the most recent fiscal year as reported by the Department of Employment Security.
- 2) Up to 50 points to the extent which the applicant meets or exceeds Criteria 2, with points awarded in accordance with the number of jobs created and retained and the aggregate amount of investment promised in the Enterprise Zone as well as the alleviation of the effects of poverty and unemployment within the LLMA. In order to maximize points, applicants should be as specific as possible in describing the anticipated jobs being created and retained as well as how those 1,000 jobs will be created or retained as a direct result of the aggregate investment of \$100 million or more.
 - a. For example, an application stating that: "ABC Corp. will expand its operations in the Commercial Business Park, resulting in the creation of 275 jobs as well as the retention of 935 jobs" will garner more point than a general statement that in excess of 1,000 jobs will be created or retained.
- 3) Up to 40 points to the extent which the applicant meets or exceeds Criteria 3. Applicants will receive:
 - A) up to 10 points for the poverty rate in the LLMA, according to the latest data from the Census Bureau;
 - B) up to 10 points for the percentage of children in participating schools and institutions in the LLMA eligible for free and reduced-price meals under the National School Lunch Program according to the most recent data available from the Illinois State Board of Education;
 - C) up to 10 points for the percentage of households in the LLMA that receive SNAP benefits, according to the latest data from the Census Bureau; and,
 - D) up to 10 points for the severity of (3)(A) through (C) above.
- 4) Up to 30 points to the extent which the applicant meets or exceeds Criteria 4, with points awarded in accordance with the severity of the environmental impact of the abandoned coal mine, brownfield, or federal disaster area. More points will be awarded for abandoned coal mines in the proposed Enterprise Zone that are a priority 1 or 2 site, as determined by the Illinois Department of Natural Resources, Office of Mines and Minerals, Division of Abandoned Mined Lands Reclamation. More points will be awarded for brownfields in the proposed Enterprise Zone that are listed on the U.S. Environmental Protection Agency's National Priorities List. Points will be awarded for major disaster declarations when a county or counties in the proposed Enterprise Zone are included in the

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Federal Emergency Management Agency (“FEMA”) individual assistance program, the FEMA public assistance program, or both programs. More points will be awarded for multiple major disaster declarations.

- 5) Up to 50 points to the extent which the applicant meets or exceeds Criteria 5, with points awarded in accordance with the severity of the applicable facility closures or downsizing. Severity of the applicable facility closures or downsizing will be measured by the number of workers affected as shown by notices filed pursuant to the Illinois Worker Adjustment and Retraining Notification Act in the ten (10) years prior to the date of application, notices filed pursuant to the State Facilities Closure Act in the five (5) years prior to the date of application, or reliable evidence of the number of workers affected by federal facility closures in the five (5) years prior to the date of application.
- 6) Up to 40 points to the extent which the applicant meets or exceeds Criteria 6, with points awarded in accordance with the severity and extent of the high floor vacancy or deterioration. Applicants shall list affected commercial or industrial parcels or units and describe how those parcels or units were determined to be vacant or deteriorated. To show a vacancy rate or prevalence, applicants shall provide data of the total number of commercial and industrial parcels or units in the LLMA and describe how that data was collected or determined.
- 7) Up to 30 points to the extent which the applicant meets or exceeds Criteria 7, with points awarded in accordance with the extent to which the application addresses a plan to improve the State and local government tax base. Applicants shall address the State and local sales tax base, the State income tax base, and the local property tax base.
- 8) Up to 50 points to the extent which the applicant meets or exceeds Criteria 8, with points awarded in accordance with the existence of significant public infrastructure in addition to a plan for infrastructure development and improvement. Applicants shall provide an inventory of the public infrastructure that demonstrates that significant public infrastructure exists in the LLMA to support economic development at the time of the application. Applicants shall provide a three-year public infrastructure improvement and development plan for each municipality and/or county applicant government that provides for large, physical improvements that are permanent in nature and that are needed for the functioning of the community, including transportation, utilities, etc. The plans shall include a listing of the capital improvement projects, the plan for financing the projects, a timetable for the construction or completion of the projects, and justification for the projects. Points will be awarded for both the inventory of existing public infrastructure and the public infrastructure improvement and development plan, with a majority of the points awarded based on the public infrastructure improvement and development plan.
- 9) Up to 40 points to the extent which the applicant meets or exceeds Criteria 9, with points awarded in accordance with the extent to which educational programs exist for career preparation. Applicants shall list all high schools and community colleges in the LLMA and indicate which high schools and community colleges are engaged in ACT Work Keys, Manufacturing Skills Standard Certification, or other industry-based credentials that prepare students for careers. Applicants shall provide documentation that high schools and community colleges in the LLMA are engaged in these programs. More points will be awarded to applicants with a higher percentage of high schools and community colleges engaged in ACT Work Keys, Manufacturing Skills Standard Certification, or other industry-based credentials that prepare students for careers.
- 10) Up to 40 points to the extent which the applicant meets or exceeds Criteria 10, with points awarded according to the severity of the change in equalized assessed valuation. Applicants are encouraged to use data on equalized assessed valuation of industrial or commercial properties in the LLMA from the Illinois Department of Revenue or from the chief assessment official of the county or counties in which at least a portion of the LLMA is contained. Severity will be measured by the difference in the LLMA’s industrial or commercial equalized assessed valuation

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from the State average change in equalized assessed valuation for industrial or commercial properties beyond the threshold for this test.

No later than June 30, the Department will notify all applicant municipalities and counties of the Department's determination of the qualification of their respective proposed enterprise zone areas, and will send qualifying applications, including the applicant's scores for criteria (1) through (10) and the applicant's final score to the Enterprise Zone Board, along with supporting documentation for the Department's recommendation.

If any such designated area is found to be qualified to be an enterprise zone by the Department, the Department will, no later than July 15, send a letter of notification to each member of the General Assembly whose legislative district or representative district contains all or part of the designated area and publish a notice in at least one (1) newspaper of general circulation within the proposed zone area to notify the general public of the application and their opportunity to comment. Such notice will include a description of the area and a brief summary of the application and will indicate locations where the applicant has provided copies of the application for public inspection. The notice will also indicate appropriate procedures for the filing of written comments from zone residents, business, civic and other organizations and property owners to the Department.

By September 30, all applications filed by December 31 of the preceding calendar year and deemed qualified by the Department will be approved or denied by the Board. A majority of the Board will determine whether an application is approved or denied. The Board is not, at any time, required to designate an enterprise zone.

In determining which designated areas will be approved and certified as enterprise zones, the Board will give preference to the extent to which the area meets the criteria set forth in Section 4 of the Act.

Zones will become effective January 1 of the calendar year following approval by the Board and certification by the Department.

For each application that is denied, the Board will inform the applicant in writing of the specific reasons for the denial.

Each currently existing Enterprise Zone that reapplies for certification but does not receive a new certification shall expire on its scheduled termination date.