

ORDINANCE NO. 2014-_____-O

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROCKFORD, ILLINOIS:

WHEREAS, according to the latest U.S. Census American Community Survey, the City of Rockford educational attainment levels lag significantly behind State of Illinois and U.S. averages, with only 6.8% of Rockford citizens attaining an Associate's degree compared 7.4% of Illinois citizens and 7.7% of U.S. citizens; and

WHEREAS, the educational gap between citizens in the City of Rockford attaining a Bachelor's degree or higher is even wider compared with Illinois and U.S. averages, with only 20.7% of Rockford citizens attaining a bachelor's degree or higher compared with 31.1% in the State of Illinois and 28.5% nationally; and

WHEREAS, low education attainment levels year after year within the City of Rockford have led to corresponding higher crime, poverty, and unemployment compared with the State of Illinois and U.S. averages for the last 40 years, and have caused structural deficiencies and negative trends within our social, economic, and housing framework within the City of Rockford; and

WHEREAS, there are numerous studies and empirical research that illustrate that improving educational levels within a community has corresponding correlations to decreasing poverty, increasing employment, and improving property values; and

WHEREAS, at the local level, Rockford Public Schools has approached Northern Illinois University to assist in developing a return on investment (ROI) methodology for estimating the impact of adopting a "college for all" program in Rockford. The analysis

concluded that for a hypothetical cohort of 100 Rockford public high school students that would not otherwise have gone to college, for every dollar invested in a Rockford college for all program, an estimated \$131.81 would be generated in additional lifetime earnings, increased local expenditures, and avoided costs of social programs and incarceration; and

WHEREAS, Forbes' Magazine, in their 2013 report ranking the "Top 200 Best Places for Business and Careers", ranked Rockford 194th out of 200 places in the United States, with the low ranking primarily being driven due to the lack of educational attainment and job growth in the City of Rockford; and

WHEREAS, the State of Illinois General Assembly has responded to this educational attainment gap within the City of Rockford through by passage of House Bill 194, entitled the "Lincoln Promise Zone Act", and Governor Quinn signed the Lincoln Promise Zone Act into law through Public Act 98-198 on August 9, 2013; and

WHEREAS, the Lincoln Promise Zone Act allows the City of Rockford, the City of Aurora, and the City of East St. Louis the ability to establish a Lincoln Promise Zone Authority in their respective communities if their respective governing bodies determine that it is necessary for the best interests of the public to promote access to a community college education through financial assistance; and

WHEREAS, the governing body of the City of Rockford is desirous of establishing a Lincoln Promise Zone Authority within the corporate limits of the City of Rockford, whereby a City of Rockford Lincoln Promise Zone Board of Directors (hereinafter the "Rockford LPZ Authority") would be established consisting of the Mayor and 6 members appointed by the mayor, with the advice and consent of the governing body; and

WHEREAS, the Rockford LPZ Authority would be required to prepare and adopt a promise zone development plan, which shall include a complete description of the proposed promise of financial assistance for the 2015-2016 and 2016-2017 academic years to all students residing within the promise zone who graduate from a public high school located within the City of Rockford Promise Zone to attend community college in the public community college district within the City of Rockford Promise Zone, which is Rock Valley Community College; and

WHEREAS, the Rockford LPZ Authority would be required to develop a promise zone development plan which, at a minimum, will provide funding sufficient to provide an eligible student the tuition necessary to obtain an associate degree or its equivalent at the local community college during the 2015-2016 and 2016-2017 academic years.

WHEREAS, in accordance with State Law, the City of Rockford held a public hearing on the adoption of a proposed ordinance establishing the Lincoln Promise Zone Authority on March 31, 2014, at 6:00p.m. central time at Rockford City Hall, 2nd Floor Council Chambers, 425 E. State Street, Rockford, Illinois; and

WHEREAS, after hearing testimony at the March 31, 2014 public hearing, the City Council has determined that passage of an ordinance creating a Lincoln Promise Zone Authority within the corporate limits of the City of Rockford is in the best interest of the health, safety and welfare of its citizens and businesses.

SECTION 1: The foregoing recitals shall be and are hereby incorporated as findings of fact as if said recitals were fully set forth herein.

SECTION 2: The Mayor and City Council of the City of Rockford, Illinois hereby amend the City of Rockford Code of Ordinances by the addition of Chapter 15, which shall

create the Lincoln Promise Zone Authority within the City of Rockford in accordance with the Lincoln Promise Zone Act:

CHAPTER 15 – LINCOLN PROMISE ZONE AUTHORITY

Section 15-1. – Authority created; Purpose and composition.

There is hereby created a Lincoln Promise Zone Authority within the corporate limits of the City of Rockford, Illinois for the purposes of providing financial resources for a community college education for eligible students living in a promise zone who have graduated from a public high school located within that promise zone. The Lincoln Promise Zone Authority shall be in accordance with the Lincoln Promise Zone Act.

Section 15-2. -- Promise zone development plan.

The Lincoln Promise Zone Authority created in Section 15-1 of this Chapter shall prepare and adopt a promise zone development plan, which shall include all of the following:

- (a) A complete description of the proposed promise of financial assistance. The proposed promise of financial assistance shall include, without limitation, a promise of financial assistance for the 2015-2016 and 2016-2017 academic years to all students residing within the promise zone who graduate from a public high school located within that promise zone to attend community college in the public community college district where the eligible entity is located.
- (b) The proposed promise of financial assistance shall, at a minimum, provide funding sufficient to provide an eligible student the tuition necessary to obtain an associate degree or its equivalent at the local community college during the 2015-2016 and 2016-2017 academic years, subject to any limitations authorized under this Section.
- (c) The proposed promise of financial assistance may also authorize the expenditure of funds for educational improvement activities designed to increase readiness for postsecondary education at public schools located in the promise zone.
- (d) A complete description of any limitation on the promise of financial assistance, including, but not limited to, the following:
 - (1) whether the promise of financial assistance will be prorated based on the number of years the student has resided within the promise zone;
 - (2) whether the promise of financial assistance will be restricted to students who have resided within or attended a public high school within the promise zone for a minimum number of years;

(3) whether the promise of financial assistance is predicated on the student maintaining a minimum college grade point average and carrying a minimum college credit hour class load.

(e) A requirement that graduates of a public high school exhaust all other known and available grants for tuition and fees for postsecondary education provided by a federal, State, or local governmental entity, as determined by the Board.

(f) A description of how the funds necessary to accomplish the promise of financial assistance will be raised. The promise zone development plan shall be financed from one or more of the following sources:

(1) private donations ;

(2) money obtained from other private sources approved by the governing body or otherwise authorized by law; or

(3) interest or other investment income, earnings, or proceeds from item (1) or (2) above

(g) An actuarial model of how much the proposed plan is estimated to cost.

Section 15-3. -- Deposit and expenditure of moneys received by the Authority.

Moneys received by the Authority shall immediately be deposited to the credit of the Authority, subject to disbursement under this Act. The Authority shall not expend more than 15% of its proposed annual budget for administrative costs.

Section 15-4. - Establishment of Board; Director; Treasurer; Secretary; Legal Counsel and other personnel.

(a) There is hereby created a Lincoln Promise Zone Authority Board. With the advice and consent of the Rockford City Council, the mayor shall appoint six (6) members to the Lincoln Promise Zone Authority Board, with a minimum of two (2) members being educators and two (2) members being community business leaders. The remaining two (2) members of the Board shall be residents of the City of Rockford. The mayor shall serve as the seventh (7th) member of the Board.

(b) The Board may employ and fix the compensation of a Director. The Director shall serve at the pleasure of the Board. A member of the Board is not eligible to hold the position of Director. Before beginning his or her duties, the Director shall furnish a bond in the amount of one-million dollars (\$1,000,000.00) payable to the Authority for use and benefit of the Authority, approved by the Board, and filed with the Finance Department. The premium on the bond shall be considered an operating

expense of the Authority, payable from funds available to the Authority for expenses of operation. The Director shall be the chief executive officer of the Authority.

- (c) Subject to the approval of the Board, the Director shall supervise and be responsible for implementing the promise zone development plan established under Section 25 of the Lincoln Promise Zone Act and the performance of the functions of the Authority in the manner authorized by the Act. The Director shall attend the meetings of the Board and shall provide to the Board, the City Council and the Mayor a regular report covering the activities and financial condition of the Authority. If the Director is absent or disabled, the Board may designate a qualified person as Acting Director to perform the duties of the office.
- (d) The Board may employ and fix the compensation of a Treasurer, who shall keep the financial records of the Authority and who, together with the Director, shall approve all vouchers for the expenditure of funds of the Authority. The Treasurer shall perform all duties delegated by the Board and shall furnish a bond in an amount prescribed by the Board.
- (e) The Board may employ and fix the compensation of a Secretary, who shall maintain custody of the official seal and of records, books, documents, or other papers not required to be maintained by the Treasurer. The Secretary shall attend meetings of the Board and keep a record of its proceedings and shall perform other duties delegated by the Board.
- (f) The Board may retain legal counsel to advise the Board in the proper performance of its duties.
- (g) The Board may employ other personnel considered necessary by the Board.

Section 15-5. - Powers and Duties of the Board

- (a) The Board may do any of the following:
 - (a) prepare an analysis of the community college educational opportunities for the residents of the promise zone;
 - (b) study and analyze the need for financial resources to provide community college educational opportunities for residents of the promise zone;
 - (c) acquire, by purchase or otherwise, on terms and conditions and in a manner the Authority considers proper, own, convey, or otherwise dispose of, or lease as lessor or lessee land and other property, real or personal, or rights or interests in the property that the Authority determines is reasonably necessary to achieve the purposes of the Act and grant or acquire licenses, easements, and options;

(d) fix, charge, and collect fees, rents, and charges for the use of any facility, building, or property under its control or any part of the facility, building, or property;

(e) lease, in whole or in part, any facility, building, or property under its control; or

(f) solicit and accept grants and donations of money, property, labor, or other things of value from a private source, except as otherwise prohibited by law.

(b) The Board shall submit the promise zone development plan in Section 15-2 to the State of Illinois Lincoln Promise Zone Review Committee established in the Lincoln Promise Zone Act promptly after the plan's adoption. The promise zone development plan shall also be published on the Internet website of the City of Rockford.

Section 15-6. - Lincoln Promise Zone Act incorporated by reference; Severability

(a) *Incorporation by Reference.* All definitions, rules, and statutory language within Public Act 98-198 that are not specifically stated within this Chapter are hereby adopted by reference herein and made a part of this Chapter.

(b) *Severability.* The provisions and sections of this Ordinance shall be deemed severable, and the invalidity of any portion of this Ordinance shall not affect the validity of the remainder. All orders, resolutions, or ordinances in conflict herewith are hereby repealed insofar as such conflict exists, and this Ordinance shall take effect immediately upon its passage, approval, and publication, as required by law.

A full, true and complete copy of this Ordinance shall be published within ten (10) days after passage in pamphlet form by and under authority of the Corporate Authorities.

APPROVED:

MAYOR

ATTESTED:

LEGAL DIRECTOR

PASSED:

APPROVED:

PUBLISHED:

ATTESTED and FILED in my office this _____ day of _____, 2014 and published in pamphlet form this _____ day of _____, 2014.

Legal Director and ex officio
Keeper of the Records and Seal

Published in pamphlet form this _____ day of _____, 2014 by order of the City Council of the City of Rockford, Illinois.

APPROVED BY:

Patrick W. Hayes, Legal Director

RECOMMENDED BY:

Kerry F. Partridge, City Attorney