



Office of the City Clerk

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Legislation Text

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Referred to the Committee on Finance Chicago
City Council November 14, 2018

RESOLUTION

WHEREAS, A little noticed provision in the federal 2017 Tax Cuts and Jobs Act created tax incentives to encourage investment in qualified opportunity zones. One incentive allows the deferral or even exclusion of certain capital gains on sales of property that are reinvested in a zone within 180 days. The other incentive the exclusion of capital gains on property held in an opportunity zone for at least ten years; and

WHEREAS, On October 19, 2018, the federal government issued guidance regarding these incentives by means of proposed regulations and a revenue ruling; and

WHEREAS, There are approximately 8,700 qualified opportunity zones in the United States in low-income areas. The City of Chicago recommended to the State of Illinois that 133 census tracts, plus two tracts comprising the Michael Reese Hospital site, be recommended to the federal government to be designated as qualified opportunity zones; and

WHEREAS, The federal government has created a preliminary list of qualified opportunity zones, including numerous zones in Chicago; and

WHEREAS, The qualified opportunity zone program provides the City a unique chance to generate economic development in areas that are in desperate need of assistance in growing and thriving. The City should be proactive in using the qualified opportunity zone program to its maximum benefit; and

WHEREAS, It is in the best interests of the City Council to determine the plans of the City, led by its Department of Planning and Development, regarding qualified opportunity zones; now, therefore,

BE IT RESOLVED, That we, members of the City Council of the City of Chicago, gathered together this 14th day of November, 2018, call on the Deputy Mayor and the Commissioner of the Department of Planning and Development to testify before the Committee on Finance regarding the City's implementation plans for the qualified opportunity zone program.

MARGARET LAURINO