



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

File #: 10-0919 **Version:** 1

Type: Report **Status:** Filed

File created: 8/5/2010 **In control:** Finance Committee

On agenda: 8/12/2010 **Final action:** 8/12/2010

Title: Report to Board of Commissioners on The Boeing Company's Request for Reimbursement in the Amount of \$84,591.86 Pursuant to the Terms of a Tax Reimbursement Agreement Approved by the Board on September 6, 2001

Sponsors:

Indexes:

Code sections:

Attachments:

| Date | Ver. | Action By | Action | Result |
|-----------|------|------------------------|---------------------|--------|
| 8/12/2010 | 1 | Committee of the Whole | Recommended | Pass |
| 8/12/2010 | 1 | Board of Commissioners | Published and Filed | Pass |

TRANSMITTAL LETTER FOR BOARD OF AUGUST 12, 2010

COMMITTEE ON FINANCE

Mr. Richard Lanyon, Executive Director

Report to Board of Commissioners on The Boeing Company's Request for Reimbursement in the Amount of \$84,591.86 Pursuant to the Terms of a Tax Reimbursement Agreement Approved by the Board on September 6, 2001

Dear Sir:

On September 6, 2001, the District's Board of Commissioners authorized the District to enter into a Tax Reimbursement Agreement ("Agreement") with The Boeing Company ("Boeing"). Basically, the Agreement requires the District to reimburse Boeing for property taxes paid to the District for a period not to exceed 20 years as an incentive for Boeing relocating its corporate headquarters to Illinois. The Agreement was pursuant to amendments to the Corporate Headquarters Relocation Act, and the Property Tax Code that offered incentives to large, multi-national corporations to relocate their corporate headquarters to Illinois.

On January 7, 2010, Boeing submitted its yearly request for reimbursement in the amount of \$84,591.86 for the 2009 calendar year. The request for reimbursement was accompanied by copies of paid tax bills and other supporting documentation evidencing the amount of reimbursement that Boeing is entitled to under the Agreement.

The Agreement provides that reimbursement is contingent upon Boeing complying with certain conditions precedent set forth in the Agreement that must be verified by the City of Chicago ("City"). On July 28, 2010, the District received a report from the City confirming Boeing's compliance with such conditions. The City's verification of Boeing's compliance renders Boeing eligible for reimbursement. Payment will be made in accordance with the applicable sections of the Agreement.

Respectfully Submitted, Frederick M. Feldman, General Counsel, FMF:RH:rb