



**Board of Commissioners of Cook County
Minutes Labor Committee**

Wednesday, June 8, 2016

9:55 AM

**Cook County Building, Board Room, 569
118 North Clark Street, Chicago, Illinois**

ATTENDANCE

Present: Vice Chairman Tobolski, Commissioners Arroyo, Butler, Fritchey, Gainer, García, Moore and Sims (8)

Absent: Chairman Murphy (1)

PUBLIC TESTIMONY

Vice Chairman Tobolski asked the Secretary to the Board to call upon the registered public speakers, in accordance with Cook County Code.

1. George Blakemore, Concerned Citizen

16-3590

COMMITTEE MINUTES

Approval of the minutes from the meeting of 5/10/2016

A motion was made by Commissioner Arroyo, seconded by Commissioner Butler, that this Committee Minutes be approved. The motion carried by the following vote:

Ayes: Vice Chairman Tobolski, Commissioners Arroyo, Butler, Fritchey, Gainer, García, Moore and Sims (8)

Absent: Chairman Murphy (1)

16-2958

Sponsored by: TONI PRECKWINKLE, President, Cook County Board of Commissioners

PROPOSED RESOLUTION

APPROVING ECONOMIC PACKAGE INCLUDING WAGE INCREASES AND HEALTHCARE

WHEREAS, the Illinois Public Employee Labor Relations Act (5 ILCS 315/1 et seq.) has established regulations regarding collective bargaining with a union; and

WHEREAS, a Collective Bargaining Agreement for the period of December 1, 2012 through November 30, 2017 has been negotiated between the County of Cook/Sheriff of Cook County and the Metropolitan Alliance of Police (MAP Chapter 507) representing the Sheriff's Telecommunications, Vehicle Service and Electronic Monitoring Supervisors; and

WHEREAS salary adjustments and general wage increases are reflected in the Salary Schedules included in the Collective Bargaining Agreement negotiated between County of Cook/Sheriff of Cook County and MAP Chapter 507; and

- (a) effective the first full pay period on or after June 1, 2013 the pay rates for all classifications shall be increased 1.00%
- (b) effective the first full pay period on or after June 1, 2014 the pay rates for all classifications shall be increased 1.50%
- (c) effective the first full pay period on or after June 1, 2015 the pay rates for all classifications shall be increased 2.00%
- (d) effective the first full pay period on or after December 1, 2015 the pay rates for all classifications shall be increased 2.00%
- (e) effective the first full pay period on or after December 1, 2016 the pay rates for all classifications shall be increased 2.25%
- (f) effective the first full pay period on or after June 1, 2017 the pay rates for all classifications shall be increased 2.00%

WHEREAS, the current healthcare plan shall be revised as follows:

Item	12/1/2015
Classic Blue	Eliminate
HMO OOP Maximum	\$1,600/\$3,200
HMO Accident/Illness	\$15
HMO Urgent Care	\$15
HMO Specialists	\$20
HMO ER	\$75
PPO Deductible	\$350/\$700
PPO OOP Maximum	\$1,600/\$3,200
PPO Accident/Illness	90% after \$25
PPO Specialist	90% after \$35
PPO ER	\$75
RX	\$10/\$25/\$40

Generic Step Therapy	Implement
Mandatory Maintenance Choice	Implement
Healthcare Contributions	Additional 1 percent of salary aggregate increase (.50 percent increase on 12/1/2015 and .50 percent increase on 12/1/2016)

NOW THEREFORE BE IT RESOLVED, that the Cook County Board of Commissioners does hereby approve the economic package including wage increases and healthcare as provided by the Bureau of Human Resources.

A motion was made by Commissioner Butler, seconded by Commissioner Gainer, that this Resolution be Recommended for Approval. The motion carried by the following vote:

Ayes: Vice Chairman Tobolski, Commissioners Arroyo, Butler, Fritchey, Gainer, García, Moore and Sims (8)

Absent: Chairman Murphy (1)

16-3191

Sponsored by: JOAN PATRICIA MURPHY, BRIDGET GAINER, JEFFREY R. TOBOLSKI and DEBORAH SIMS, County Commissioners

PROPOSED ORDINANCE AMENDMENT

JOB TRAINING REQUIREMENT FOR CLASS 8 PROPERTY TAX INCENTIVES

WHEREAS, Cook County is a home rule unit of local government as defined in Article VII, §6 under the 1970 Illinois Constitution, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, there are certain areas of Cook County that have a lack of viable industrial and commercial buildings, which is contributing to substantial unemployment in such areas; Cook County has established property tax classifications for new development of industrial structures, or the substantial rehabilitation and re-utilization of existing industrial structures;

NOW, THEREFORE, BE IT RESOLVED, in order to effectively promote economic and community development for its citizens, the Cook County Board of Commissioners hereby establishes a Job Training Requirement for Class 8 Property Tax Incentives; and,

BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 74 - Taxation, Article II - Real Estate Property Taxation, Division 2 - Classification System for Assessments, Section 74-63 - Assessment Classes (*Class 8*) and Section 74-70 - 8a and 8b designation/assessment classes, of the Cook County Code is hereby amended as follows:

Sec. 74-63. - Assessment Classes.

(12) *Class 8.* Real estate used primarily for industrial and commercial purposes, consisting of all newly constructed buildings or other structures, including the land upon which they are situated; or abandoned property, as defined in this division, including the land upon which such property is situated; or all buildings and other structures which are substantially rehabilitated to the extent such rehabilitation has added to their value, including qualified land related to the rehabilitation.

a. Land qualifies when the rehabilitation adds vertical or horizontal square footage to the improvements. The amount of land eligible for the incentive shall be in such proportion as the square footage added by the rehabilitation bears to the total square footage of the improvements on the parcel. Such real estate must be either obtained through the Cook County Tax Reactivation Project or must be located in one of the following designated geographical areas:

1. An area which has been certified as in need of substantial revitalization in accordance with the provisions of Section 74-65(b);
2. An enterprise community as proposed and approved by the County Board on June 22, 1994, or the Chicago City Council on May 18, 1994, and the municipality in which such real estate is located, or, if in an unincorporated area, the County must by lawful Resolution determine that such real estate is consistent with an overall plan for the rehabilitation of the area; or
3. Any one of the following five townships: Bloom, Bremen, Calumet, Rich and Thornton.

b. In the instance where real estate does not meet the definition of abandoned property as defined herein, the municipality or the County Board, as the case may be, may still determine that special circumstances justify that the property is deemed "abandoned" for purpose of Class 8, unless:

1. There has been a purchase for value and the buildings and other structures have not been vacant and unused prior to such purchase; or
2. There has been no purchase for value and the buildings and other structures have been vacant and unused for less than 24 continuous months.

The finding of abandonment, along with the specification of the special circumstances, shall be included in the Resolution or Ordinance supporting and consenting to the Class 8 application. If the Ordinance or Resolution is that of a municipality, the approval of the County Board is required to validate such, a finding that the property is deemed "abandoned" for purposes of Class 8, and a Resolution to that effect shall be obtained. The applicant must obtain the municipal enabling Ordinance with the required finding of special circumstances and present such municipal Ordinance to the Board of Commissioners of Cook County prior to its determination as to whether it will validate such a finding that the property is deemed "abandoned" for purposes of Class 8 and provide a County Resolution to that effect. A certified copy of an Ordinance or Resolution finding that special circumstances exist, as well as a certified copy of a County Ordinance or

Resolution validating such a finding that the property is deemed "abandoned" for purposes of Class 8 need not be filed at the time of filing the Class 8 application with the Assessor, but must be filed with the Assessor no later than the date an assessment appeal is filed to request the class change to Class 8. If the Resolution is not filed at the time of the Class 8 application, the applicant shall instead file, at that time, a letter from the municipality or the County as the case may be, confirming that a Resolution or Ordinance regarding special circumstances has been requested.

Temporary Emergency Economic Recovery Modification (TEERM) Program: In the instance where real estate does not meet the definition of abandoned property as defined herein, the municipality or the County Board, as the case may be, may still determine that special circumstances justify that the property is deemed "abandoned" for purpose of Class 8 under the TEERM Program, if there has been no purchase for value and the buildings and other structures have been vacant and unused for at least 12 continuous months. The finding of abandonment, along with the specification of the special circumstances, shall be included in the Resolution or Ordinance supporting and consenting to the Class 8 application. If the Ordinance or Resolution is that of a municipality, the approval of the County Board is required to validate such, a finding that the property is deemed "abandoned" for purposes of Class 8, and a Resolution to that effect shall be obtained. The applicant must obtain the municipal enabling Ordinance with the required finding of special circumstances and present such municipal Ordinance to the Board of Commissioners of Cook County prior to its determination as to whether it will validate such a finding that the property is deemed "abandoned" for purposes of Class 8 and provide a County Resolution to that effect. A certified copy of an Ordinance or Resolution finding that special circumstances exist, as well as a certified copy of a County Ordinance or Resolution validating such a finding that the property is deemed "abandoned" for purposes of Class 8 need not be filed at the time of filing the Class 8 application with the Assessor, but must be filed with the Assessor no later than the date an assessment appeal is filed to request the class change to Class 8. If the Resolution is not filed at the time of the Class 8 application, the applicant shall instead file, at that time, a letter from the municipality or the County as the case may be, confirming that a Resolution or Ordinance regarding special circumstances has been requested.

Applications for the TEERM Program must be received by the Assessor's Office on or before November 30, 2018 to receive consideration.

- c. A copy of the Resolution or letter confirming that a Resolution has been requested, whichever is filed with the application, will be forwarded by the Assessor's Office to the Secretary of the County Board for distribution to the members of the County Board from the affected districts.
- d. An affidavit of the applicant attesting that all construction, demolition, maintenance or repair services at the subject property shall only be performed by a contractor or subcontractor who participates in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship, shall also be submitted with the application. The Assessor or the Bureau of Economic Development shall provide by rule for the filing of such affidavit and the filing of any subsequent supporting documents which establishes credible evidence that any construction, maintenance or repair service performed at the subject property will

be done by a contractor or subcontractor who participates in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship. The failure to file such affidavit and supporting documents within the time established by the Assessor's rules shall result in the loss of the incentive for the period relating to the non-filing.

- e.d. This classification shall continue for a period of 12 years from the date of new construction (excluding demolition, if any) or substantial rehabilitation was completed and initially assessed, or in the case of abandoned property, from the date of substantial re-occupancy, or in the case of incentives granted pursuant to the TEERM Program, from the date of the notice of approval.
- f.e. Unless it was granted pursuant to the TEERM Program, this incentive may be renewed during the last year a property is entitled to a ten-percent assessment level pursuant to Section 74-64(11), if the following requirements are met:
 1. The taxpayer notifies the Assessor's Office of the taxpayer's intent to request renewal of the incentive from the municipality, or the County Board if the real estate is located in an unincorporated area;
 2. The municipality in which the real estate is located or the County Board, if the real estate is located in an unincorporated area, adopts a Resolution expressly stating that the municipality or County Board, as the case may be, has determined that the industrial or commercial use of the property is necessary and beneficial to the local economy, and supports and consents to renewal of the Class 8; and
 3. A copy of that Resolution and a completed renewal application are filed with the Assessor's Office before the expiration of the ten-percent assessment level period.
 4. Applicant shall submit an affidavit to the Bureau of Economic Development attesting that, at all times after the applicant receives and maintains a Class 8 designation, if any construction, demolition, maintenance or repair service is performed at the subject property, then any contractors and any subcontractors who perform such service must participate in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship.
- g.f. Class 8 incentives that are granted pursuant to the TEERM Program are not renewable. For all other Class 8 incentives, the number of renewal periods is not limited as long as the property continues to apply and meet the requirements for Class 8.
- h.g. A copy of the request for renewal of the incentive will be forwarded by the Assessor's Office to the Secretary of the County Board for distribution to the members of the County Board from the affected districts.
- i.h. If no renewal is obtained, the incentive shall be phased out over the next two years, pursuant to Section 74-64(11). After expiration of the last incentive period the real estate shall revert to the applicable classification under this Division.

- j.i. The Assessor may adopt rules consistent with this subsection necessary to ensure proper review of all factors relevant to determine eligibility for the benefits provided under Class 8.
- k.j. The certification of an area as in need of substantial revitalization shall expire five years from the date such certification is granted. The Assessor shall notify the applicant of the date of expiration of certification one year before the date of the expiration of the certification. Such certification, pursuant to the same criteria, may be extended for one additional five-year period subject to reapplication by the appropriate local governing body within the period from one year to six months prior to the expiration of the initial five-year period.
- l.k. The Assessor shall provide by rule for the filing of triennial reassessment reports by all Class 8 recipients as to the use of the property and the number of persons employed at the Class 8 site. A copy of such reports will be forwarded by the Assessor's Office to the Secretary of the County Board for distribution to members of the County Board from the affected districts. Failure to file such reports within the time established by the Assessor's rules shall result in loss of the incentive for the period relating to the non-filing.
- m. Taxpayers who currently receive a Class 8 incentive shall file with the Bureau of Economic Development an affidavit as required under subsection (d) of this Section within 90 days of the enactment that will be applicable for all future construction, demolition, maintenance or repair services performed at the subject property as required under subsection (d) of this Section. Failure to provide the affidavit in a timely manner may result in the loss of the incentive for the period relating to the non-filing.

Sec. 74-70. - Class 8a and 8b designation/assessment class.

- (a) Class 8a. Real estate that is used primarily for industrial or commercial purposes, which real estate would qualify for a Class 8 designation pursuant to Sections 74-62 through 74-64, except for the fact that the qualifying use of the property prior to application for the incentive does not comply with the definition of abandoned property provided for in Section 74-62(b), can receive a designation as a Class 8a property so long as the applicant can show that it has complied with all of the requirements necessary to receive a Class 8 designation per Sections 74-62 through 74-64, except for meeting the definition of abandonment provided for in Section 74-62(b), but only when the Cook County Board of Commissioners provides a Resolution or Ordinance in support of such designation absent abandonment.
- (1) The Cook County Board of Commissioners may only provide such a Resolution or Ordinance in support of Class 8a designation absent abandonment when:

 - a. An applicant who collects or transmits sales tax has obtained from the municipality in which the real estate is located or the Cook County Board of Commissioners, if the real estate is located in an unincorporated area, an agreement to abate a portion of the local government's sales tax generated by the industrial or commercial enterprise located on such real estate and

such abatement of sales tax must cover the period of time for which the applicant would qualify for this Class 8a incentive; and

- b. Applicant can demonstrate to the satisfaction of the Cook County Board of Commissioners that due to national and regional economic conditions beyond its control the industrial or commercial enterprise has undergone a significant reduction in net operating income of at least 40 percent in the year it makes application for this incentive as compared to the average net operating income of the industrial or commercial enterprise in the prior three years; and
- c. Applicant provides objective and credible evidence including, but not limited to, an economic impact study that demonstrates to the satisfaction of the Cook County Board of Commissioners that the ongoing industrial or commercial enterprise is not economically viable and as such it will cease operations within 60 days of the submission of an eligibility application for Class 8a designation to the Cook County Assessor, and thereafter the property will become vacant and unused for an extended period of time of at least 24 months; and
- d. Applicant provides objective and credible evidence including, but not limited to, an economic impact study that demonstrates to the satisfaction of the Cook County Board of Commissioners that designation as a Class 8a property will allow the industrial or commercial enterprise to be economically viable and thereby continue its operations so that the industrial or commercial enterprise can continue to occupy and fully utilize the real estate for an extended period of time.
- e. Applicant must provide credible evidence that, at all times after the applicant receives and maintains a Class 8 designation, if any construction, demolition, maintenance or repair service is performed at the subject property, then any contractors and any subcontractors who perform such service must participate in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship.

(2) Such a Resolution or Ordinance must contain:

- a. A finding that the Cook County Board of Commissioners has determined that industrial or commercial enterprise has undergone a significant reduction in net operating income of at least 40 percent in the year it makes application for the incentive as compared to the average net operating income of the industrial or commercial enterprise in the prior three years; and
- b. A finding that the Cook County Board of Commissioners has determined that Class 8a designation of the property is necessary for the ongoing industrial or commercial enterprise to continue its operations and that without such designation the industrial or commercial enterprise would not be economically viable causing the property to become vacant and unused; and
- c. A statement by the Cook County Board of Commissioners that it supports and consents to the designation of the property as a Class 8a property absent an abandonment requirement; and
- d. A statement by the Cook County Board of Commissioners that it supports and consents to the application made to the Cook County Assessor requesting designation as a Class 8a property absent an abandonment requirement.

- (3) When the real estate is located in an incorporated area of the county, and designation as a Class 8a property is sought using the provisions of this Section, the municipality in which the real estate is located must provide to the Cook County Assessor a Resolution or Ordinance that contains the following:
 - a. A finding by the municipality that it has determined that Class 8a designation of the property is necessary for the ongoing industrial or commercial enterprise to continue its operations and that without such designation the industrial or commercial enterprise would not be economically viable causing the property to become vacant and unused; and
 - b. A statement by the municipality that it supports and consents to the action by the Cook County Board of Commissioners to support designation of the property as a Class 8a property; and
 - c. A statement by the municipality that it supports and consents to the Class 8a application to the Cook County Assessor; and
- (4) Real estate receiving a Class 8a designation pursuant to the provisions of this Section shall be assessed at the lowest percentage of market value provided for in Section 74-64(12), however the term of the incentive will be limited to five years only and such Class 8a designation shall not be renewed:
 - a. After the initial application has been approved and granted, if the subject real estate receiving the Class 8a designation pursuant to the provisions of this Section is sold or the applicant transfers ownership of any portion of the property at any time prior to the five-year term of the 8a classification, then the property's Class 8a classification shall be subject to an eligibility review by the Cook County Board of Commissioners, the municipality, and the Assessor under the procedures set forth in this Ordinance for the remainder of the five-year term.
- (5) In order for real estate to qualify for a Class 8a designation an eligibility application must be made to the Cook County Assessor.
- (6) Class 8a designation cannot be applied to real estate unless the following has occurred: application is made to the Cook County Assessor; all required municipal and county Ordinances and Resolutions are provided to the Cook County Assessor; and the Cook County Assessor determines that the real estate which is the subject of the application for a Class 8a designation would qualify for designation as a Class 8 property but for the inability to comply with the definition of abandonment pursuant to Section 74-62(b).
- (7) The Cook County Assessor may adopt rules consistent with this Section to determine eligibility for the benefits provided under Class 8a.
- (8) Upon receipt of an eligibility application for a Class 8a designation, the Cook County Assessor shall forward such application and any supporting documentation provided with such application to the Cook County Board of Commissioners or its designee for consideration as to whether the County Board will provide a Resolution or Ordinance in support of a Class 8a designation absent abandonment.

- (9) Real estate receiving a Class 8a designation pursuant to the provisions of this Section shall not be eligible for a Class 8a designation for any year prior to the assessment year for which an application for the designation is made to the Cook County Assessor.
 - (10) The Cook County Board of Commissioners or its designee may adopt rules consistent with this Section that may be needed to ensure proper review of information, data and documents submitted in support of a request to the County Board for a Resolution or Ordinance in support of a Class 8a designation as provided for in this Section.
 - (11) Applicants for a Class 8a designation of property can only make such an application for the following assessment years 2008, 2009, 2010, 2011, 2012, 2013 and the Cook County Assessor shall not designate any real estate as Class 8a property for assessment year 2018 or thereafter.
 - (12) Real estate that receives a designation as a Class 8a incentive property will lose such designation and the corresponding reduced level of assessment, if the industrial or commercial enterprise located on the property ceases operations and the subject real estate becomes vacant and unused.
 - (13) Real estate that receives a designation as a Class 8a incentive property will lose such designation and the corresponding reduced level of assessment upon termination of the required partial sales tax abatement by local government.
 - (14) This Section 74-70 of the Real Estate Classification Ordinance will become effective upon passage.
- (b) Class 8b. Real estate and improvements that house inpatient and outpatient hospital based services, where the property has been acquired for hospital use by a for-profit acquirer unrelated to the not-for-profit disposer, thereby avoiding Illinois Health Facilities and Services Review Board discontinuation approval, shall be considered for a Class 8b designation if it meets the requirements of this Section and the Cook County Board of Commissioners provides a Resolution or Ordinance in support of such designation.
- (1) The Cook County Board of Commissioners may only provide such a Resolution or Ordinance in support of Class 8b designation when:
 - a. The applicant is a hospital, as defined in the Hospital Licensing Act, or an entity that owns the real property on which a hospital is located, the hospital is licensed by the state, and the abandonment of the hospital would require the applicant, or the hospital on behalf of which the applicant owns the real property on which the hospital is located, to obtain a permit or exemption from the State of Illinois Health Facilities and Services Review Board pursuant to the Illinois Health Facilities Planning Act prior to discontinuing hospital operations and to obtain a second permit or exemption prior to reopening or otherwise reestablishing the hospital after abandonment;
 - b. The applicant demonstrated to the satisfaction of the Cook County Assessor that approval of the Class 8b designation will materially increase the likelihood that the property will be retained for hospital use with the associated employment benefits relative to industrial or commercial use of the property;

- c. The subject hospital is located in a zip code which has a ten-percent or greater incidence of families and/or individuals below the poverty level, as identified by the U.S. Census Bureau's most recent census; and
- d. The subject hospital employs at least 750 full-time equivalents (full-time equivalent jobs being defined as total hours worked by all non-full-time employees divided by average annual hours worked by the full-time employees).
- e. Applicant must provide credible evidence that, at all times after the applicant receives and maintains a Class 8 designation, if any construction, demolition, maintenance or repair service is performed at the subject property, then any contractors and any subcontractors who perform such service must participate in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship.

(2) Such a Resolution or Ordinance must contain:

- a. A finding that the Cook County Board of Commissioners has determined that the applicant demonstrated to the satisfaction of the Cook County Assessor that approval of the Class 8b designation will materially increase the likelihood that the property will be retained for hospital use; and
- b. A statement by the Cook County Board of Commissioners that it supports and consents to the designation of the property as a Class 8b property.

(3) When the real estate is located in an incorporated area of the county, and designation as a Class 8b property is sought using the provisions of this Section, the municipality in which the real estate is located must provide to the Cook County Assessor a resolution or ordinance that contains the following:

- a. A finding by the corporate authorities of the municipality that the proposed redevelopment contemplated for the subject hospital or the property on which the hospital sits is necessary and appropriate and that, without a classification having the impact of this Section, the special circumstances that exist on the property on which the subject hospital sits including, but not limited to, the unique requirement that mandates that the subject hospital's operations are continually maintained without interruption in order for the State of Illinois Health Facilities and Services Review Board to issue a certificate of need and licensure approval for the continued operation of the subject hospital and the extraordinary need for the continued operation of the subject hospital within the applicable region, will not be addressed and the property on which the subject hospital sits will become vacant and underutilized and cause the continued exasperation of blighted factors within the municipality and region;
- b. A finding by the corporate authorities of the municipality that a classification having the impact of this Section is necessary for the redevelopment to occur on the property on which the subject hospital sits; and

- c. A statement by the corporate authorities of the municipality supporting and consenting to the filing of an application for a classification having the impact of this Section for the property on which the subject hospital sits.
- (4) Real estate receiving a Class 8b designation pursuant to the provisions of this Section shall be assessed at the lowest percentage of market value and for the term provided for in Section 74-64(12).
 - (5) In order for real estate to qualify for a Class 8b designation, a Class 8 or Class 8b application must be made or have been made to the Cook County Assessor. Any application for Class 8 submitted with required municipal approval after July 1, 2008, for hospital property where the property was acquired for hospital use by an unrelated for-profit acquirer, avoiding the Health Facilities and Services Review Board discontinuation approval, shall be reconsidered as an application pursuant to this Section upon supplement of such Class 8 application with the additional information required in this Section, if any. Upon receipt of an application, the Cook County Assessor shall forward such application and any supporting documentation provided with the application to the Cook County Board of Commissioners for consideration as to whether the Cook County Board will provide a resolution or ordinance in support of a Class 8b designation. Real estate receiving a Class 8b designation pursuant to the provisions of this Section shall be eligible for such designation beginning in the assessment year during which an application for the classification having the impact of this Section is made to the Cook County Assessor.
 - (6) Class 8b designation cannot be applied to real estate unless the following has occurred: application is made or has been made to the Cook County Assessor, and all required municipal and county Ordinances and Resolutions are provided to the Cook County Assessor.

Effective date: This ordinance shall be in effect immediately upon adoption.

A motion was made by Commissioner Gainer, seconded by Commissioner Butler, that this Ordinance Amendment be accepted as substituted. The motion carried by the following vote:

Ayes: Vice Chairman Tobolski, Commissioners Arroyo, Butler, Fritchey, Gainer, García, Moore and Sims (8)

Absent: Chairman Murphy (1)

PROPOSED SUBSTITUTE TO FILE ID 16-3191

Sponsored by: JOAN PATRICIA MURPHY, BRIDGET GAINER, JEFFREY TOBOLSKI AND SEAN M. MORRISON, County Commissioners

PROPOSED ORDINANCE AMENDMENT

JOB TRAINING REQUIREMENT FOR CLASS 8 PROPERTY TAX INCENTIVES

WHEREAS, Cook County is a home rule unit of local government as defined in Article VII, §6 under the 1970 Illinois Constitution, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, there are certain areas of Cook County that have a lack of viable industrial and commercial buildings, which is contributing to substantial unemployment in such areas; Cook County has established property tax classifications for new development of industrial structures, or the substantial rehabilitation and re-utilization of existing industrial structures;

NOW, THEREFORE, BE IT RESOLVED, in order to effectively promote economic and community development for its citizens, the Cook County Board of Commissioners hereby establishes a Job Training Requirement for Class 8 Property Tax Incentives; and,

BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 74 – Taxation, Article II – Real Estate Property Taxation, Division 2 – Classification System for Assessments, Section 74-63 – Assessment Classes (*Class 8*) and Section 74-70 – 8a and 8b designation/assessment classes, of the Cook County Code is hereby amended as follows:

Sec. 74-63. – Assessment Classes.

(12) *Class 8.* Real estate used primarily for industrial and commercial purposes, consisting of all newly constructed buildings or other structures, including the land upon which they are situated; or abandoned property, as defined in this division, including the land upon which such property is situated; or all buildings and other structures which are substantially rehabilitated to the extent such rehabilitation has added to their value, including qualified land related to the rehabilitation.

a. Land qualifies when the rehabilitation adds vertical or horizontal square footage to the improvements. The amount of land eligible for the incentive shall be in such proportion as the square footage added by the rehabilitation bears to the total square footage of the improvements on the parcel. Such real estate must be either obtained through the Cook County Tax Reactivation Project or must be located in one of the following designated geographical areas:

1. An area which has been certified as in need of substantial revitalization in accordance with the provisions of Section 74-65(b);
2. An enterprise community as proposed and approved by the County Board on June 22, 1994, or the Chicago City Council on May 18, 1994, and the municipality in which such real estate is located, or, if in an unincorporated area, the County must by lawful Resolution determine that such real estate is consistent with an overall plan for the rehabilitation of the area; or
3. Any one of the following five townships: Bloom, Bremen, Calumet, Rich and Thornton.

b. In the instance where real estate does not meet the definition of abandoned property as defined herein, the municipality or the County Board, as the case may be, may still determine that special circumstances justify that the property is deemed "abandoned" for purpose of Class 8, unless:

1. There has been a purchase for value and the buildings and other structures have not been vacant and unused prior to such purchase; or
2. There has been no purchase for value and the buildings and other structures have been vacant and unused for less than 24 continuous months.

The finding of abandonment, along with the specification of the special circumstances, shall be included in the Resolution or Ordinance supporting and consenting to the Class 8 application. If the Ordinance or Resolution is that of a municipality, the approval of the County Board is required to validate such, a finding that the property is deemed "abandoned" for purposes of Class 8, and a

Resolution to that effect shall be obtained. The applicant must obtain the municipal enabling Ordinance with the required finding of special circumstances and present such municipal Ordinance to the Board of Commissioners of Cook County prior to its determination as to whether it will validate such a finding that the property is deemed "abandoned" for purposes of Class 8 and provide a County Resolution to that effect. A certified copy of an Ordinance or Resolution finding that special circumstances exist, as well as a certified copy of a County Ordinance or Resolution validating such a finding that the property is deemed "abandoned" for purposes of Class 8 need not be filed at the time of filing the Class 8 application with the Assessor, but must be filed with the Assessor no later than the date an assessment appeal is filed to request the class change to Class 8. If the Resolution is not filed at the time of the Class 8 application, the applicant shall instead file, at that time, a letter from the municipality or the County as the case may be, confirming that a Resolution or Ordinance regarding special circumstances has been requested.

Temporary Emergency Economic Recovery Modification (TEERM) Program: In the instance where real estate does not meet the definition of abandoned property as defined herein, the municipality or the County Board, as the case may be, may still determine that special circumstances justify that the property is deemed "abandoned" for purpose of Class 8 under the TEERM Program, if there has been no purchase for value and the buildings and other structures have been vacant and unused for at least 12 continuous months. The finding of abandonment, along with the specification of the special circumstances, shall be included in the Resolution or Ordinance supporting and consenting to the Class 8 application. If the Ordinance or Resolution is that of a municipality, the approval of the County Board is required to validate such, a finding that the property is deemed "abandoned" for purposes of Class 8, and a Resolution to that effect shall be obtained. The applicant must obtain the municipal enabling Ordinance with the required finding of special circumstances and present such municipal Ordinance to the Board of Commissioners of Cook County prior to its determination as to whether it will validate such a finding that the property is deemed "abandoned" for purposes of Class 8 and provide a County Resolution to that effect. A certified copy of an Ordinance or Resolution finding that special circumstances exist, as well as a certified copy of a County Ordinance or Resolution validating such a finding that the property is deemed "abandoned" for purposes of Class 8 need not be filed at the time of filing the Class 8 application with the Assessor, but must be filed with the Assessor no later than the date an assessment appeal is filed to request the class change to Class 8. If the Resolution is not filed at the time of the Class 8 application, the applicant shall instead file, at that time, a letter from the municipality or the County as the case may be, confirming that a Resolution or Ordinance regarding special circumstances has been requested.

Applications for the TEERM Program must be received by the Assessor's Office on or before November 30, 2018 to receive consideration.

- c. A copy of the Resolution or letter confirming that a Resolution has been requested, whichever is filed with the application, will be forwarded by the Assessor's Office to the Secretary of the County Board for distribution to the members of the County Board from the affected districts.
- d. An affidavit of the applicant attesting that all construction, demolition, maintenance or repair services at the subject property shall only be performed by a contractor or subcontractor who participates in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship, shall also be submitted with the

application. The Assessor shall provide by rule for the filing of such affidavit and the filing of any subsequent supporting documents which establishes credible evidence that any construction, maintenance or repair service performed at the subject property will be done by a contractor or subcontractor who participates in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship. The failure to file such affidavit and supporting documents within the time established by the Assessor's rules shall result in the loss of the incentive for the period relating to the non-filing.

- e. This classification shall continue for a period of 12 years from the date of new construction (excluding demolition, if any) or substantial rehabilitation was completed and initially assessed, or in the case of abandoned property, from the date of substantial re-occupancy, or in the case of incentives granted pursuant to the TEERM Program, from the date of the notice of approval.
- f. Unless it was granted pursuant to the TEERM Program, this incentive may be renewed during the last year a property is entitled to a ten-percent assessment level pursuant to Section [74-64\(11\)](#), if the following requirements are met:
 1. The taxpayer notifies the Assessor's Office of the taxpayer's intent to request renewal of the incentive from the municipality, or the County Board if the real estate is located in an unincorporated area;
 2. The municipality in which the real estate is located or the County Board, if the real estate is located in an unincorporated area, adopts a Resolution expressly stating that the municipality or County Board, as the case may be, has determined that the industrial or commercial use of the property is necessary and beneficial to the local economy, and supports and consents to renewal of the Class 8; and
 3. A copy of that Resolution and a completed renewal application are filed with the Assessor's Office before the expiration of the ten-percent assessment level period.
 4. Applicant shall submit an affidavit to the Assessor's Office attesting that, at all times after the applicant receives and maintains a Class 8 designation, if any construction, demolition, maintenance or repair service is performed at the subject property, then any contractors and any subcontractors who perform such service must participate in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship, if the contractor or subcontractor employs people in a covered occupation.
- g. Class 8 incentives that are granted pursuant to the TEERM Program are not renewable. For all other Class 8 incentives, the number of renewal periods is not limited as long as the property continues to apply and meet the requirements for Class 8.
- h. A copy of the request for renewal of the incentive will be forwarded by the Assessor's Office to the Secretary of the County Board for distribution to the members of the County Board from the affected districts.
- i. If no renewal is obtained, the incentive shall be phased out over the next two years, pursuant to [Section 74-64\(11\)](#). After expiration of the last incentive period the real estate shall revert to the applicable classification under this Division.
- j. The Assessor may adopt rules consistent with this subsection necessary to ensure proper review of all factors relevant to determine eligibility for the benefits provided under Class 8.

- k.j. The certification of an area as in need of substantial revitalization shall expire five years from the date such certification is granted. The Assessor shall notify the applicant of the date of expiration of certification one year before the date of the expiration of the certification. Such certification, pursuant to the same criteria, may be extended for one additional five-year period subject to reapplication by the appropriate local governing body within the period from one year to six months prior to the expiration of the initial five-year period.
- l.k. The Assessor shall provide by rule for the filing of triennial reassessment reports by all Class 8 recipients as to the use of the property and the number of persons employed at the Class 8 site. A copy of such reports will be forwarded by the Assessor's Office to the Secretary of the County Board for distribution to members of the County Board from the affected districts. Failure to file such reports within the time established by the Assessor's rules shall result in loss of the incentive for the period relating to the non-filing.
- m. Taxpayers who currently receive a Class 8 incentive shall file with the Assessor's Office an affidavit as required under subsection (d) of this Section within 90 days of the enactment that will be applicable for all future construction, demolition, maintenance or repair services performed at the subject property as required under subsection (d) of this Section. Failure to provide the affidavit in a timely manner may result in the loss of the incentive for the period relating to the non-filing.

Sec. 74-70. - Class 8a and 8b designation/assessment class.

- (a) Class 8a. Real estate that is used primarily for industrial or commercial purposes, which real estate would qualify for a Class 8 designation pursuant to Sections 74-62 through 74-64, except for the fact that the qualifying use of the property prior to application for the incentive does not comply with the definition of abandoned property provided for in Section 74-62(b), can receive a designation as a Class 8a property so long as the applicant can show that it has complied with all of the requirements necessary to receive a Class 8 designation per Sections 74-62 through 74-64, except for meeting the definition of abandonment provided for in Section 74-62(b), but only when the Cook County Board of Commissioners provides a Resolution or Ordinance in support of such designation absent abandonment.
 - (1) The Cook County Board of Commissioners may only provide such a Resolution or Ordinance in support of Class 8a designation absent abandonment when:
 - a. An applicant who collects or transmits sales tax has obtained from the municipality in which the real estate is located or the Cook County Board of Commissioners, if the real estate is located in an unincorporated area, an agreement to abate a portion of the local government's sales tax generated by the industrial or commercial enterprise located on such real estate and such abatement of sales tax must cover the period of time for which the applicant would qualify for this Class 8a incentive; and
 - b. Applicant can demonstrate to the satisfaction of the Cook County Board of Commissioners that due to national and regional economic conditions beyond its control the industrial or commercial enterprise has undergone a significant reduction in net operating income of at least 40 percent in the year it makes application for this incentive as compared to the average net operating income of the industrial or commercial enterprise in the prior three years; and
 - c. Applicant provides objective and credible evidence including, but not limited to, an economic impact study that demonstrates to the satisfaction of the Cook County Board of Commissioners that the ongoing industrial or commercial enterprise is not economically viable and as such it will cease operations within 60 days of the submission of an eligibility application for Class 8a designation to

the Cook County Assessor, and thereafter the property will become vacant and unused for an extended period of time of at least 24 months; and

- d. Applicant provides objective and credible evidence including, but not limited to, an economic impact study that demonstrates to the satisfaction of the Cook County Board of Commissioners that designation as a Class 8a property will allow the industrial or commercial enterprise to be economically viable and thereby continue its operations so that the industrial or commercial enterprise can continue to occupy and fully utilize the real estate for an extended period of time.
- e. Applicant must provide credible evidence that, at all times after the applicant receives and maintains a Class 8 designation, if any construction, demolition, maintenance or repair service is performed at the subject property, then any contractors and any subcontractors who perform such service must participate in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship, if the contractor or subcontractor employs people in a covered occupation.

(2) Such a Resolution or Ordinance must contain:

- a. A finding that the Cook County Board of Commissioners has determined that industrial or commercial enterprise has undergone a significant reduction in net operating income of at least 40 percent in the year it makes application for the incentive as compared to the average net operating income of the industrial or commercial enterprise in the prior three years; and
- b. A finding that the Cook County Board of Commissioners has determined that Class 8a designation of the property is necessary for the ongoing industrial or commercial enterprise to continue its operations and that without such designation the industrial or commercial enterprise would not be economically viable causing the property to become vacant and unused; and
- c. A statement by the Cook County Board of Commissioners that it supports and consents to the designation of the property as a Class 8a property absent an abandonment requirement; and
- d. A statement by the Cook County Board of Commissioners that it supports and consents to the application made to the Cook County Assessor requesting designation as a Class 8a property absent an abandonment requirement.

(3) When the real estate is located in an incorporated area of the county, and designation as a Class 8a property is sought using the provisions of this Section, the municipality in which the real estate is located must provide to the Cook County Assessor a Resolution or Ordinance that contains the following:

- a. A finding by the municipality that it has determined that Class 8a designation of the property is necessary for the ongoing industrial or commercial enterprise to continue its operations and that without such designation the industrial or commercial enterprise would not be economically viable causing the property to become vacant and unused; and
- b. A statement by the municipality that it supports and consents to the action by the Cook County Board of Commissioners to support designation of the property as a Class 8a property; and
- c. A statement by the municipality that it supports and consents to the Class 8a application to the Cook County Assessor; and

(4) Real estate receiving a Class 8a designation pursuant to the provisions of this Section shall be assessed at the lowest percentage of market value provided for in Section 74-64(12), however the term of the incentive will be limited to five years only and such Class 8a designation shall not be renewed:

- a. After the initial application has been approved and granted, if the subject real estate receiving the Class 8a designation pursuant to the provisions of this Section is sold or the applicant transfers ownership of any portion of the property at any time prior to the five-year term of the 8a classification, then the property's Class 8a classification shall be subject to an eligibility review by the Cook County Board of Commissioners, the municipality, and the Assessor under the procedures set forth in this Ordinance for the remainder of the five-year term.

- (5) In order for real estate to qualify for a Class 8a designation an eligibility application must be made to the Cook County Assessor.
- (6) Class 8a designation cannot be applied to real estate unless the following has occurred: application is made to the Cook County Assessor; all required municipal and county Ordinances and Resolutions are provided to the Cook County Assessor; and the Cook County Assessor determines that the real estate which is the subject of the application for a Class 8a designation would qualify for designation as a Class 8 property but for the inability to comply with the definition of abandonment pursuant to Section 74-62(b).
- (7) The Cook County Assessor may adopt rules consistent with this Section to determine eligibility for the benefits provided under Class 8a.
- (8) Upon receipt of an eligibility application for a Class 8a designation, the Cook County Assessor shall forward such application and any supporting documentation provided with such application to the Cook County Board of Commissioners or its designee for consideration as to whether the County Board will provide a Resolution or Ordinance in support of a Class 8a designation absent abandonment.
- (9) Real estate receiving a Class 8a designation pursuant to the provisions of this Section shall not be eligible for a Class 8a designation for any year prior to the assessment year for which an application for the designation is made to the Cook County Assessor.
- (10) The Cook County Board of Commissioners or its designee may adopt rules consistent with this Section that may be needed to ensure proper review of information, data and documents submitted in support of a request to the County Board for a Resolution or Ordinance in support of a Class 8a designation as provided for in this Section.
- (11) Applicants for a Class 8a designation of property can only make such an application for the following assessment years 2008, 2009, 2010, 2011, 2012, 2013 and the Cook County Assessor shall not designate any real estate as Class 8a property for assessment year 2018 or thereafter.
- (12) Real estate that receives a designation as a Class 8a incentive property will lose such designation and the corresponding reduced level of assessment, if the industrial or commercial enterprise located on the property ceases operations and the subject real estate becomes vacant and unused.
- (13) Real estate that receives a designation as a Class 8a incentive property will lose such designation and the corresponding reduced level of assessment upon termination of the required partial sales tax abatement by local government.
- (14) This Section 74-70 of the Real Estate Classification Ordinance will become effective upon passage.
- (b) Class 8b. Real estate and improvements that house inpatient and outpatient hospital based services, where the property has been acquired for hospital use by a for-profit acquirer unrelated to the not-for-profit disposer, thereby avoiding Illinois Health Facilities and Services Review Board discontinuation approval, shall be considered for a Class 8b designation if it meets the requirements of this Section and the Cook County Board of Commissioners provides a Resolution or Ordinance in support of such designation.
 - (1) The Cook County Board of Commissioners may only provide such a Resolution or Ordinance in support of Class 8b designation when:
 - a. The applicant is a hospital, as defined in the Hospital Licensing Act, or an entity that owns the real property on which a hospital is located, the hospital is licensed by the state, and the abandonment of the hospital would require the applicant, or the hospital on behalf of which the applicant owns the real property on which the hospital is located, to obtain a permit or exemption from the State of Illinois Health Facilities and Services Review Board pursuant to the Illinois Health Facilities Planning Act prior to discontinuing hospital operations and to obtain a second permit or exemption prior to reopening or otherwise reestablishing the hospital after abandonment;
 - b. The applicant demonstrated to the satisfaction of the Cook County Assessor that approval of the Class 8b designation will materially increase the likelihood that the property will be retained for

- hospital use with the associated employment benefits relative to industrial or commercial use of the property;
- c. The subject hospital is located in a zip code which has a ten-percent or greater incidence of families and/or individuals below the poverty level, as identified by the U.S. Census Bureau's most recent census; and
 - d. The subject hospital employs at least 750 full-time equivalents (full-time equivalent jobs being defined as total hours worked by all non-full-time employees divided by average annual hours worked by the full-time employees).
 - e. Applicant must provide credible evidence that, at all times after the applicant receives and maintains a Class 8 designation, if any construction, demolition, maintenance or repair service is performed at the subject property, then any contractors and any subcontractors who perform such service must participate in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship, if the contractor or subcontractor employs people in a covered occupation.
- (2) Such a Resolution or Ordinance must contain:
- a. A finding that the Cook County Board of Commissioners has determined that the applicant demonstrated to the satisfaction of the Cook County Assessor that approval of the Class 8b designation will materially increase the likelihood that the property will be retained for hospital use; and
 - b. A statement by the Cook County Board of Commissioners that it supports and consents to the designation of the property as a Class 8b property.
- (3) When the real estate is located in an incorporated area of the county, and designation as a Class 8b property is sought using the provisions of this Section, the municipality in which the real estate is located must provide to the Cook County Assessor a resolution or ordinance that contains the following:
- a. A finding by the corporate authorities of the municipality that the proposed redevelopment contemplated for the subject hospital or the property on which the hospital sits is necessary and appropriate and that, without a classification having the impact of this Section, the special circumstances that exist on the property on which the subject hospital sits including, but not limited to, the unique requirement that mandates that the subject hospital's operations are continually maintained without interruption in order for the State of Illinois Health Facilities and Services Review Board to issue a certificate of need and licensure approval for the continued operation of the subject hospital and the extraordinary need for the continued operation of the subject hospital within the applicable region, will not be addressed and the property on which the subject hospital sits will become vacant and underutilized and cause the continued exasperation of blighted factors within the municipality and region;
 - b. A finding by the corporate authorities of the municipality that a classification having the impact of this Section is necessary for the redevelopment to occur on the property on which the subject hospital sits; and
 - c. A statement by the corporate authorities of the municipality supporting and consenting to the filing of an application for a classification having the impact of this Section for the property on which the subject hospital sits.
- (4) Real estate receiving a Class 8b designation pursuant to the provisions of this Section shall be assessed at the lowest percentage of market value and for the term provided for in Section 74-64(12).
- (5) In order for real estate to qualify for a Class 8b designation, a Class 8 or Class 8b application must be made or have been made to the Cook County Assessor. Any application for Class 8 submitted with required municipal approval after July 1, 2008, for hospital property where the property was acquired for hospital use by an unrelated for-profit acquirer, avoiding the Health Facilities and Services Review Board discontinuation approval, shall be reconsidered as an application pursuant to this Section upon supplement

of such Class 8 application with the additional information required in this Section, if any. Upon receipt of an application, the Cook County Assessor shall forward such application and any supporting documentation provided with the application to the Cook County Board of Commissioners for consideration as to whether the Cook County Board will provide a resolution or ordinance in support of a Class 8b designation. Real estate receiving a Class 8b designation pursuant to the provisions of this Section shall be eligible for such designation beginning in the assessment year during which an application for the classification having the impact of this Section is made to the Cook County Assessor.

- (6) Class 8b designation cannot be applied to real estate unless the following has occurred: application is made or has been made to the Cook County Assessor, and all required municipal and county Ordinances and Resolutions are provided to the Cook County Assessor.

Effective Date: This ordinance amendment shall be effective immediately upon adoption.

A motion was made by Commissioner Gainer, seconded by Commissioner Arroyo, that this Ordinance Amendment be recommended for approval as substituted. The motion carried by the following vote:

Ayes: Vice Chairman Tobolski, Commissioners Arroyo, Butler, Fritchey, Gainer, García, Moore and Sims (8)

Absent: Chairman Murphy (1)

16-3196

Sponsored by: TONI PRECKWINKLE, President, Cook County Board of Commissioners

PROPOSED RESOLUTION

APPROVING COLLECTIVE BARGAINING AGREEMENT

WHEREAS, on April 13, 2016 the Cook County Board of Commissioners approved Resolution 16-2178 approving Collective Bargaining Agreements for the period of December 1, 2012 through November 30, 2017 with American Federation of State County and Municipal Employees Council 31 (AFSCME) for support staff in the Office of the Public Defender (AFSCME 3696); assistant public defenders (AFSCME 3315); caseworkers, interpreters and investigative personnel in the Offices of the Public Defender, Medical Examiner and Adoption and Child Custody Advocacy (AFSCME 1767); and Cook County Assessor's staff (AFSCME 3835); and

WHEREAS, it has been brought to the attention of the Bureau of Human Resources that the Collective Bargaining Agreement between the County of Cook/Assessor and Assessor's staff (AFSCME 3835) approved on April 13, 2016 and attached to Resolution 16-2178 was in error; and

WHEREAS, representatives from the Bureau of Human Resources, AFSCME 31, Local 3835 and the Assessor's Office have met to rectify any outstanding issues and correct any contractual errors; and

WHEREAS, salary adjustments and general wage increases are reflected in the amended Salary Schedules included in the Collective Bargaining Agreement negotiated between the County of Cook/ Assessor's Office and AFSCME Council 31, Local 3835; and

WHEREAS, AFSCME Council 31, Local 3835 executed the corrected Collective Bargaining Agreement on May 10, 2016.

NOW THEREFORE BE IT RESOLVED, that the Cook County Board of Commissioners does hereby approve

the attached Collective Bargaining Agreement between the County of Cook/Assessor and AFSCME 31, Local 3835 as provided by the Bureau of Human Resources and executed by AFSCME 31, Local 3835 on May 10, 2016.

Legislative History : 5/11/16 Board of Commissioners referred to the Labor Committee

A motion was made by Commissioner Sims, seconded by Commissioner Arroyo, that this Resolution be Recommended for Approval. The motion carried by the following vote:

Ayes: Vice Chairman Tobolski, Commissioners Arroyo, Butler, Fritchey, Gainer, García, Moore and Sims (8)

Absent: Chairman Murphy (1)

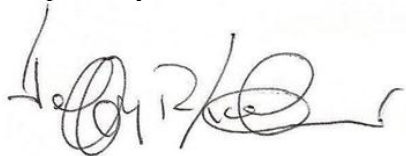
ADJOURNMENT

A motion was made by Commissioner Sims, seconded by Commissioner Arroyo to adjourn the meeting. The motion carried by the following vote:

Ayes: Vice Chairman Tobolski, Commissioners Arroyo, Butler, Fritchey, Gainer, García, Moore and Sims (8)

Absent: Chairman Murphy (1)

Respectfully submitted,



Vice-Chairman



Secretary

*A video recording of this meeting is available at <https://cook-county.legistar.com/Calendar.aspx>