



**Board of Commissioners of Cook County
Board of Commissioners**

Business and Economic Development Committee

Wednesday, January 17, 2018

9:15 AM

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

NOTICE AND AGENDA

There will be a meeting of the Committee or Subcommittee of the Board of Commissioners of Cook County at the date, time and location listed above to consider the following:

PUBLIC TESTIMONY

Authorization as a public speaker shall only be granted to those individuals who have submitted in writing, their name, address, subject matter, and organization (if any) to the Secretary 24 hours in advance of the meeting. Duly authorized public speakers shall be called upon to deliver testimony at a time specified in the meeting agenda. Authorized public speakers who are not present during the specified time for public testimony will forfeit their allotted time to speak at the meeting. Public testimony must be germane to a specific item(s) on the meeting agenda, and the testimony must not exceed three minutes; the Secretary will keep track of the time and advise when the time for public testimony has expired. Persons authorized to provide public testimony shall not use vulgar, abusive, or otherwise inappropriate language when addressing the Board; failure to act appropriately; failure to speak to an item that is germane to the meeting, or failure to adhere to the time requirements may result in expulsion from the meeting and/or disqualify the person from providing future testimony.

[18-1633](#)

COMMITTEE MINUTES

Approval of the minutes from the meeting of 12/13/2017

[17-6085](#)

Sponsored by: TONI PRECKWINKLE (President) and GREGG GOSLIN, Cook County Board of Commissioners

PROPOSED RESOLUTION

KTR ILL, LLC D.B.A. PROLOGIS 6B PROPERTY TAX INCENTIVE REQUEST

WHEREAS, the Cook County Bureau of Economic Development received and reviewed a Real

Property Assessment Classification 6b application containing the following information:

Applicant: KTR ILL, LLC d.b.a. Prologis

Address: 514-532 S. Hicks Road, Palatine, Illinois

Municipality or Unincorporated Township: Village of Palatine

Cook County District: 14

Permanent Index Number: 02-23-313-037-0000

Municipal Resolution Number: Village of Palatine, Resolution No. R-22-17

Number of month property vacant/abandoned: 13 months vacant

Special circumstances justification requested: Yes

**TEERM (TEMPORARY EMERGENCY ECONOMIC RECOVERY MODIFICATION
(Vacant for more than 12 months but less than 24 months - No Purchase for Value)
Justification:** Yes

Estimated Number of jobs created by this project: None

Estimated Number of jobs retained at this location: 30 full-time jobs

Estimated Number of employees in Cook County: Same as above

Estimated Number of construction jobs: 20 construction workers

Proposed use of property: Industrial use, warehousing, manufacturing and/or distribution.

Living Wage Ordinance Compliance Affidavit Provided: Yes

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b that provides an applicant a reduction in the assessment level for an abandoned industrial/commercial facility; and

WHEREAS, the Cook County Classification System for Assessment defines abandoned property as buildings and other structures that, after having been vacant and unused for more than 24 continuous months, there has been no purchased for value by a purchaser and the property is in need of substantial

rehabilitation; and

WHEREAS, in the instance where the property does not meet the definition of abandoned property, the municipality or the Board of Commissioners, may determine that special circumstances may exist that justify finding that the property as abandoned for purpose of the Class 6b TEERM (TEMPORARY EMERGENCY ECONOMIC RECOVERY MODIFICATION); and

WHEREAS, in the case of abandonment according to the TEERM definition, abandonment is defined as a facility being vacant over 12 months but less than 24 months with no purchase for value by a disinterested buyer, in such instances, the County may determine that special circumstances exist under TEERM; thus qualifying the property as abandoned; and

WHEREAS, Class 6b TEERM requires a resolution by the County Board validating the property as abandoned for the purpose of the Class 6b TEERM; and

WHEREAS, the municipality states the Class 6b TEERM is necessary for development to occur on this specific real estate. The municipal resolution cites the qualifications of this property to meet the definition of abandoned with special circumstances; and

WHEREAS; commercial real estate is normally assessed at 25% of its market value, qualifying commercial real estate eligible for the Class 6b can receive a significant reduction in the level of assessment from the date that new construction or rehabilitation has been completed, or in the case of abandoned property from the date of substantial re-occupancy. Properties receiving Class 6b will be assessed at 10% of the market value for 10 years, 15% for the 11th year and 20% in the 12th year; and

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, that the President and Board of Commissioners validate the above-captioned property is deemed abandoned with special circumstances under the Class 6b TEERM; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this resolution to the Office of the Cook County Assessor.

Legislative History : 11/15/17 - Board of Commissioners - refer to the Business and Economic Develo

Legislative History : 12/13/17 - Business and Economic Development Committee - recommend for app

Legislative History : 12/13/17 - Board of Commissioners - defer

[17-9977](#)

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

PROPOSED ORDINANCE AMENDMENT

TAX INCENTIVE ORDINANCE

Sec. 74-68. - Classification system to apply with tax assessment year.

(a) The incentive provisions of this Division provided to qualifying parcels of real estate for Class 6b, Class C, Class 7a, Class 7b, and Class 8 shall expire on December 31, 2025, unless otherwise reviewed by action of the County. Real estate granted a Class 6, Class 6a, Class 6b, Class 7, ~~or Class 8~~, Class 9, Class C, Class S or Class L classification on or before April 15, 2017, and any renewals thereof, shall retain such classification under the terms and conditions of this Division prior to April 16, 2017. Real estate for which an application for Class 6a, Class 6b, Class 7, ~~or Class 8~~, Class C, Class S or Class L classification is filed with the Assessor on or before April 15, 2017, and which thereafter is determined by the Assessor to be eligible for the classification under the terms and conditions of this Division after April 16, 2017, and any renewals thereof, shall be entitled to receive such classification under such terms and conditions.

(b) Real estate granted a Class 6b, Class 6c, Class 7a, Class 7b or Class 8 classification on or before December 31, 1999, shall retain such classification under the terms and conditions of this Division prior to January 1, 2000. Real estate for which an application for Class 6b, Class 6c, Class 7a, Class 7b or Class 8 classification is filed with the Assessor on or before December 31, 1999, and which thereafter is determined by the Assessor to be eligible for classification under the terms and conditions of this Division existing prior to January 1, 2000, shall be entitled to receive such classification under such terms and conditions.

(c) Real Estate granted a Class 6b, Class 7a, Class 7b or Class 8 classification on or before December 31, 2004, shall retain such classification under the terms and conditions of the Ordinance prior to January 1, 2005. Real estate for which an application for Class 6b, Class 7a, Class 7b or Class 8 classification is filed with the Assessor on or before December 31, 2004, and which thereafter is determined by the Assessor to be eligible for classification under the terms and conditions of this Ordinance existing prior to January 1, 2005, shall be entitled to receive such classification under such terms and conditions.

Sec. 74-71. - Laws regulating the payment of wages.

(a) For the purposes of this Section:

- Property tax incentive means a reduction in the assessment level as set forth in Division 2 of this

Article for Class 6b industrial property, Class 8 industrial property, or Class 9 multifamily residential property. "Property tax incentive" shall not include a Class 9 designation granted to supportive living facilities, which establish an alternative to nursing home care for low income older persons and persons with disabilities under Medicaid and which are certified by the State Department of Public Aid pursuant to Division 2 of this Article; and Sales tax means the Retailer's Occupation Tax, the Service Occupation Tax and/or the Use Tax.

~~(a)~~(b) Living wage requirement.

- (1) Unless expressly waived by the County Board, any Employer occupying a property that receives a property tax incentive for Class 6b industrial property, Class 8 industrial property, or Class 9 multifamily residential property shall pay not less than the Living Wage, as defined in the Cook County Procurement Code (Cook County, Ill., Code, Ch. 34, Art. IV, Div. 1 § 34-121), to each of its onsite Employees, unless such Employees' Wages are governed by Federal or State prevailing wage law. For purpose of this Section, the term "Employee" shall mean an Employee who performs duties or services for an Employer on average at least 30 hours per week in any two-week period for which the Employee is paid; "hours per week" shall mean hours for which an Employee is paid or entitled to payment by the Employer for a period of time during which no duties are performed by the Employee due to vacation, holiday, illness, incapacity, jury duty, military duty or approved leave of absence.
- (2) On and after July 1, 2020, the owner of any property that receives a property tax incentive shall notify all Employers who occupy such property as lessees of the requirements of this Section. Upon commencement of a lease, on or after July 1, 2020, of a property that receives a property tax incentive, any new lessee shall be required to submit to the municipality or the Cook County Board, as the case may be, an affidavit stating that such lessee is paying a Living Wage to its Employees in compliance with this Section. Notwithstanding anything herein to the contrary, the requirements of this Section shall not apply to an Employer who is a lessee and not an owner-occupant of a property that receives a Class 8 industrial property tax incentive or an Employer who was a lessee and not an owner-occupant of a property that receives a property tax incentive prior to July 1, 2020.
- (3) This Section shall not apply to Employers that are not-for-profit organizations or funded by Federal grants or Federal loans or Employers who are lessees but are not owners of a property that receives a property tax incentive prior to adoption of this amended Ordinance. Further, this Section shall not apply to Employers who can demonstrate to the County Board that compliance with the requirements of this Section would cause such Employer to be in violation of the terms of a collective bargaining agreement between the Employer and a labor union.
- (4) Every Employer required to pay the Living Wage shall notify its Employees of the Living Wage requirements and shall notify all of its Employees annually of any adjustment to the

Living Wage. In addition, the Employer shall notify its Employees that if any Employee contends that the Employer is not paying a Living Wage or has otherwise violated this section, that Employee may file a complaint with the Cook County Commissioner on Human Rights ("Commission"). The Commissioner shall investigate alleged violations of the Living Wage Ordinance and is authorized to adopt regulations for the proper administration and enforcement of its provisions. If at the conclusion of the Commission's investigation, the Commission finds that the Employer has violated this section, it shall (i) in the case of an Employer receiving a property tax incentive, notify the Assessor and the municipality, or the County, as the case may be; or (ii) in the case of a Contractor or a subcontractor required to pay the Living Wage, notify the Chief Procurement Officer, who shall exercise such remedies as are in the best interest of the County, including ordering the Employer to pay back pay and penalties, as provided in this section.

- (5) If an Employer is found to be in violation of this section, such Employer may be required to pay back pay to each affected Employee, and may also be fined by the County up to \$100.00 for each affected Employee for each day paid at less than the Living Wage. Such penalties will not be imposed on any Person except after a hearing (Cook County, Ill., Code, Ch. 2, Art. IX). Further, if an Employer is found to be in violation of this section, the property tax incentive for this property is subject to revocation.
- (6) If an Employer is found to have retaliated against an affected Employee, the Employer's property tax incentive may be terminated unless such Employer appropriately reinstates or compensates such Employee.

~~(7) For the purposes of this Section:-~~

~~Property tax incentive means a reduction in the assessment level as set forth in Division 2 of this Article for Class 6b industrial property, Class 8 industrial property, or Class 9 multifamily residential property. "Property tax incentive" shall not include a Class 9 designation granted to supportive living facilities, which establish an alternative to nursing home care for low income older persons and persons with disabilities under Medicaid and which are certified by the State Department of Public Aid pursuant to Division 2 of this Article; and Sales tax means the Retailer's Occupation Tax, the Service Occupation Tax and/or the Use Tax.~~

- ~~(8)~~(7) Living Wage Affidavit. Every municipality or the Cook County Board that provides a Resolution or Ordinance or authorized officer letter, as the case may be, to an applicant for a Class 6b industrial property or a Class 8 industrial property tax incentive shall maintain in its files and records documentation that such municipality or the County Board received and filed the Living Wage Affidavit submitted by the applicant~~owner~~ or lessee of such property stating that such applicant~~owner~~ or lessee is paying a Living Wage to its Employees in compliance with this Section. Further, an applicant or lessee of a Class 9 multifamily residential property tax incentive shall provide the municipality or the Cook

County Board, as the case may be, a Living Wage Affidavit which shall be maintained by such municipality or the Cook County Board in its files and records. For purposes of clarity and notwithstanding anything herein to the contrary, Employers who are lessees and not owner-occupants shall not be required to comply with the requirements of this paragraph until on or after July 1, 2020. Further, the requirements of this paragraph shall not be applicable to a lessee of a property that receives a Class 8 industrial property tax incentive.

~~(b)~~(c) State or Federal Laws.

- (1) Except where a Person has requested an exception from the Assessor and the County Board expressly finds that granting the exception is in the best interest of the County, such Person including any Substantial Owner (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367) shall be ineligible to receive any property tax incentive noted in Division 2 of this Article if, during the five-year period prior to the date of the application, such Person or Substantial Owner (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367) admitted guilt or liability or has been adjudicated guilty or liable in any judicial or administrative proceeding of committing a repeated or willful violation of the Illinois Wage Payment and Collection Act, 820 ILCS 115/1 et seq., the Illinois Minimum Wage Act, 820 ILCS 105/1 et seq., the Illinois Worker Adjustment and Retraining Notification Act, 820 ILCS 65/1 et seq., the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 et seq., the Employee Classification Act, 820 ILCS 185/1 et seq., the Fair Labor Standards Act of 1938, 29 U.S.C. 201, et seq., or any comparable state statute or regulation of any state, which governs the payment of wages.
- (2) The Assessor shall obtain an affidavit or certification from every Person and Substantial Owner (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367) who seeks a property tax incentive from the County as noted in Division 2 of this Article certifying that the Person or Substantial Owner (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367) has not violated the statutory provisions identified in Subsection ~~(a)~~(1) of this Section.
- (3) If the County or Assessor becomes aware that a Person or Substantial Owner (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367) has admitted guilt or liability or has been adjudicated guilty or liable in any judicial or administrative proceeding of committing a repeated or willful violation of the Illinois Wage Payment and Collection Act, 820 ILCS 115/1 et seq., the Illinois Minimum Wage Act, 820 ILCS 105/1 et seq., the Illinois Worker Adjustment and Retraining Notification Act, 820 ILCS 65/1 et seq., the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 et seq., the Employee Classification Act, 820 ILCS 185/1 et seq., the Fair Labor Standards Act of 1938, 29 U.S.C. 201, et seq., or any comparable state statute or regulation of any state, which governs the payment of wages during the five-year period prior to the date of the application, but after the County has reclassified the Person's or Substantial Owner's (as defined in Cook County, Ill., Code, Ch.

34, Art. V § 34-367) subject property under a property tax incentive classification, then, after notice from the Assessor of such violation, the Person or Substantial Owner shall have 45 days to cure its violation and request an exception or waiver from the Assessor. Failure to cure or obtain an exception or waiver of ineligibility from the Assessor shall serve as grounds for revocation of the classification as provided by the Assessor or by the County Board by Resolution or Ordinance. In case of revocation or cancellation, the Incentive Classification shall be deemed null and void for the tax year in which the incentive was revoked or cancelled as to the subject property. In such an instance, the taxpayer shall be liable for and shall reimburse to the County Collector an amount equal to the difference in the amount of taxes that would have been collected had the subject property not received the property tax incentive.

(d) The Assessor shall obtain an affidavit or certification from every Person and Substantial Owner who seeks a property tax incentive from the County that the applicant pays a Wage as defined in Section 42-8 to its employees in accordance with Sections 42-7 through 42-15 of the Cook County Code.

Sec. 74-72. - Compliance with laws.

(a) Beginning on July 1, 2018, Aan owner of real estate that is an applicant for an incentive under any Assessment Class for which a Resolution or Ordinance from the municipality or the County Board is required, or where an authorized officer letter is obtained in lieu of such Resolution or Ordinance, that describes why the incentive is necessary for the development to occur and that an Economic Disclosure Statement was received and filed by the municipality or the County Board, ~~or a lessee of such real estate~~ is, hereby, required to conduct its business or activities ~~comply in Cook County in compliance with the following all applicable ordinances, laws and regulations for as long as such owner or lessee occupies such real estate that is the recipient of an incentive, including, but not limited to, the following:~~

(1) The Cook County Workforce Resource Ordinance (Cook County, Ill., Code, Ch. 2, Art. XIV) as applicable;

(2) The Cook County Wage Theft Ordinance (Cook County, Ill., Code, Ch. 34, Art. IV, Div. 4 § 34-179);

(3) The Cook County Human Rights Ordinance (Cook County, Ill., Code, Ch. 42, Art. II);

(4) The Illinois Human Rights Act (775 ILCS 5/2-105);

(5) Title VII and Title IX of the Civil Rights Act (42 USC § 2000e, et seq.);

(6) The Age Discrimination in Employment Act (29 USC §§ 621-634); and

(7) The Americans with Disabilities Act (42 USC §§ 12101-12213).

(b) Every municipality, or the Cook County Board as the case may be, that provides a Resolution or Ordinance or authorized officer letter to an applicant for an incentive under any Assessment Class shall maintain in its files and records documentation that such municipality, or the Cook County Board as the case may be, received and filed such applicant's Economic Disclosure Statement. Further, every municipality, or the Cook County Board as the case may be, that provides a Resolution or Ordinance or authorized officer letter shall require that the owner of real estate that is an applicant for an incentive under any Assessment Class, ~~or a lessee of such real estate,~~ submit an affidavit to such municipality, or the Cook County Board as the case may be, that such ~~applicant owner or lessee~~ is in compliance in Cook County with all the laws listed in subsection (a) herein. ~~applicable laws.~~

Sec. 74-73. - Revocation or cancellation of incentive classification.

(a) The following Incentive Classifications are subject to revocation herein: Class 6b (special circumstances); Class 6b TEERM; Class 6b SER; Class 7a; Class 7b; Class 7c; Class 8; and Class 8 TEERM.

(b) The incentive may be revoked under the following circumstances:

1. By rule, as provided by the Assessor;
2. By the County Board by Resolution or Ordinance for property tax incentives awarded in unincorporated Cook County, which revocation is based on a report from the Bureau of Economic Development that has been approved by the Economic Development Advisory Committee of the County;
3. By the County Board by Resolution or Ordinance at the request of the Municipality by submission of a Municipal Resolution or Ordinance; and
4. By request of the taxpayer to cancel.

(c) A basis for revocation pursuant to Section 74-73(b)(2) or (b)(3) above includes, but is not limited to, the following:

1. Failure to comply with the requirements of Section 74-71 or 74-72;
2. Delinquency in the payment of any property taxes administered by Cook County or by a local municipality; or
3. Inaccuracies or omissions in documents submitted by the taxpayer, including, but not limited to, the application and the Economic Disclosure Statement.

~~Sec. 74-74 – Employer Paid Sick Leave.~~

~~(a) Except where a Person has requested an exception from the Assessor and the County Board expressly finds that granting the exception is in the best interest of the County, such Person including any Substantial Owner (as defined in Part I, Chapter 34, Article V, Section 34-367 of the Cook County Code) shall be ineligible to receive any property tax incentive noted in Division 2 of this Article if, during the five year period prior to the date of the application, such Person or Substantial Owner (as defined in Part I, Chapter 34, Article V, Section 34-367 of the Cook County Code) admitted guilt or liability or has been adjudicated guilty or liable in any judicial or administrative proceeding of committing a repeated or willful violation of the Illinois Wage Payment and Collection Act, 820 ILCS 115/1 et seq., the Illinois Minimum Wage Act, 820 ILCS 105/1 et seq., the Illinois Worker Adjustment and Retraining Notification Act, 820 ILCS 65/1 et seq., the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 et seq., the Employee Classification Act, 820 ILCS 185/1 et seq., the Fair Labor Standards Act of 1938, 29 U.S.C. 201, et seq., or any comparable state statute or regulation of any state, which governs the payment of wages.~~

~~(b) The Assessor shall obtain an affidavit or certification from every Person and Substantial Owner (as defined in Part I, Chapter 34, Article V, Section 34-367 of the Cook County Code) who seeks is an applicant for a property tax incentive from the County as noted in Division 2 of this Article certifying that the Person or Substantial Owner (as defined in Part I, Chapter, Article V, Section 34-367 of the Cook County Code) has not violated the statutory provisions identified in Subsection (a) of this Section.~~

~~(c) If the County or Assessor becomes aware that a Person or Substantial Owner (as defined in Part I, Chapter 34, Article V, Section 34-367 of the Cook County Code) has admitted guilt or liability or has been adjudicated guilty or liable in any judicial or administrative proceeding of committing a repeated or willful violation of the Illinois Wage Payment and Collection Act, 820 ILCS 115/1 et seq., the Illinois Minimum Wage Act, 820 ILCS 105/1 et seq., the Illinois Worker Adjustment and Retraining Notification Act, 820 ILCS 65/1 et seq., the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 et seq., the Employee Classification Act, 820 ILCS 185/1 et seq., the Fair Labor Standards Act of 1938, 29 U.S.C. 201, et seq., or any comparable state statute or regulation of any state, which governs the payment of wages during the five year period prior to the date of the application, but after the County has reclassified the Person's or Substantial Owner's (as defined in Part I, Chapter 34, Article V, Section 34-367 of the Cook County Code) subject property under a property tax incentive classification, then, after notice from the Assessor of such violation, the Person or Substantial Owner shall have 45 days to cure its violation and request an exception or waiver from the Assessor. Failure to cure or obtain an exception or waiver of ineligibility from the Assessor shall serve as grounds for revocation of the classification as provided by the Assessor or by the County Board by Resolution or Ordinance. In case of revocation or cancellation, the Incentive Classification shall be deemed null and void for the tax year in which the incentive was revoked or cancelled as to the subject property. In such an instance, the taxpayer shall be liable for and shall reimburse to the County Collector an amount equal to the difference in the amount of taxes that would have been collected had the subject property not received the property tax incentive.~~

~~(d) The Assessor shall obtain an affidavit or certification from every Person and Substantial Owner who seeks is an applicant for a property tax incentive from the County that the applicant pays a Wage as defined in Section 42-12 to its employees in accordance with Sections 42-11 through 42-19 of the Cook County Code.~~

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

Legislative History : 11/15/17 - Board of Commissioners - refer to the Business and Economic Develo

Legislative History : 12/13/17 - Business and Economic Development Committee - recommend for def

Legislative History : 12/13/17 - Board of Commissioners - defer



Secretary

Chairman: Garcia

Vice-Chairman: Moody

Members: Arroyo, Butler, Deer, Gainer, Moore, Morrison, Schneider