

Board of Commissioners of Cook County

Business and Economic Development Committee

Tuesday, November 13, 2018

1:45 PM

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.

18-6995

COMMITTEE MINUTES

Approval of the minutes from the meeting of 10/17/2018

18-6377

Sponsored by: TONI PRECKWINKLE (President) and JEFFREY R. TOBOLSKI, Cook County Board of Commissioners

PROPOSED RESOLUTION

JAARK REAL ESTATE DEVELOPMENT LLC 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: JAARK Real Estate Development LLC

Address: 8000 Joliet Road, McCook, Illinois 60525

Municipality or Unincorporated Township: McCook

Cook County District: 16

Permanent Index Number: (1) PIN: 18-11-203-015-0000

Municipal Resolution Number: Village of McCook, Ordinance 18-17 approved May 29, 2018

Number of month property vacant/abandoned: 2 months at time of application to BED

Special circumstances justification requested: Yes

Estimated Number of jobs created by this project: 5 full-time, 0 part-time

Estimated Number of jobs retained at this location: 21 full-time, 2 part-time

Estimated Number of employees in Cook County: 21 full-time, 2 part-time

Estimated Number of construction jobs: 12-13

Proposed use of property: Industrial-manufacturing

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 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 at least 24 continuous months, have been purchased for value by a purchaser in whom the seller has no direct financial interest; 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 is abandoned for purpose of Class 6b; and

WHEREAS, in the case of abandonment of less than 24 months and purchase for value, by a purchaser in whom the seller has no direct financial interest, the County may determine that special circumstances justify finding the property is deemed abandoned; and

WHEREAS, Class 6b requires the validation by the County Board of the shortened period of qualifying abandonment in cases where the facility has been abandoned for less than 24 consecutive months upon purchase for value; and

WHEREAS, the municipality states the Class 6b 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, industrial real estate is normally assessed at 25% of its market value, qualifying industrial 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; 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: 10/17/18 - Board of Commissioners - refer to the Business and Economic Develo

<u>18-6378</u>

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

PROPOSED RESOLUTION

MIDLAND CHICAGO REAL ESTATE LLC CLASS 8 PROPERTY TAX INCENTIVE REQUEST

WHEREAS, the Cook County Bureau of Economic Development received and reviewed a Real Property Assessment Classification 8 application containing the following information:

Applicant: Midland Chicago Real Estate LLC

Address: 1479 Regency Court, Calumet City, Illinois 60409

Municipality or Unincorporated Township: Calumet City

Cook County District: 4

Permanent Index Number: (1) PIN: 29-24-400-027-0000

Municipal Resolution Number: City of Calumet City Resolution 17-54, approved October 12, 2017

Number of month property vacant/abandoned: 5 months at time of application to the Assessor

Special circumstances justification requested: Yes

Estimated Number of jobs created by this project: 6 full-time, 0 part-time

Estimated Number of jobs retained at this location: 0 full-time, 0 part-time

Estimated Number of employees in Cook County: 0 full-time, 0part-time

Estimated Number of construction jobs: 30

Proposed use of property: Industrial-Supply and Repair

Living Wage Ordinance Compliance Affidavit Provided: Yes

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 8 that provides an applicant a reduction in the assessment level for an abandoned 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 at least 24 continuous months, have been purchased for value by a purchaser in whom the seller has no direct financial interest; 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 is abandoned for purpose of Class 8; and

WHEREAS, in the case of abandonment of less than 24 months and purchase for value, by a purchaser in whom the seller has no direct financial interest, the County may determine that special circumstances justify finding the property is deemed abandoned; and

WHEREAS, Class 8 requires the validation by the County Board of the shortened period of qualifying abandonment in cases where the facility has been abandoned for less than 24 consecutive months upon purchase for value; and

WHEREAS, the municipality states the Class 8 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 8 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 8 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 8; 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: 10/17/18 - Board of Commissioners - refer to the Business and Economic Develo

18-6379

Sponsored by: TONI PRECKWINKLE (President) and TIMOTHY O. SCHNEIDER, Cook County Board of Commissioners

PROPOSED RESOLUTION

165 N. LIVELY BLVD. PROPERTIES LLC 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: 165 N. Lively Blvd. Properties LLC

Address: 165 N. Lively Blvd., Elk Grove Village, Illinois

Municipality or Unincorporated Township: Elk Grove Village

Cook County District: 15th District

Permanent Index Number: 08-22-205-010-0000

Municipal Resolution Number: Village of Elk Grove Village, Resolution No. 37-7

Number of month property vacant/abandoned: Seven (7) months vacant

Special circumstances justification requested: Yes

Estimated Number of jobs created by this project: Five (5) - 10 full-time jobs

Estimated Number of jobs retained at this location: 45 full-time jobs

Estimated Number of employees in Cook County: Same as above

Estimated Number of construction jobs: 15-25 construction jobs

Proposed use of property: Industrial use, warehousing and distribution of machine tools and parts.

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 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 at least 24 continuous months, have been purchased for value by a purchaser in whom the seller has no direct financial interest; 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 is abandoned for purpose of Class 6b; and

WHEREAS, in the case of abandonment of less than 24 months and purchase for value, by a purchaser in whom the seller has no direct financial interest, the County may determine that special circumstances justify finding the property is deemed abandoned; and

WHEREAS, Class 6b requires the validation by the County Board of the shortened period of qualifying abandonment in cases where the facility has been abandoned for less than 24 consecutive months upon purchase for value; and

WHEREAS, the municipality states the Class 6b 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, industrial real estate is normally assessed at 25% of its market value, qualifying industrial 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; 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: 10/17/18 - Board of Commissioners - refer to the Business and Economic Develo

18-6420

Sponsored by: JESÚS G. GARCÍA, Cook County Board of Commissioners

PROPOSED RESOLUTION

ESTABLISHING AN EMERGENCY FUND TO ADDRESS THE CITIZENSHIP QUESTION IN THE 2020 CENSUS

WHEREAS, Cook County is a "Fair and Equal County for Immigrants" as defined in 07-R-240; and

WHEREAS, the 2020 Census poses unprecedented challenges that may inhibit an accurate count of the United States population such as a drastic reduction in field staff and the primary use of an online platform for the first time; and

WHEREAS, among these challenges, the inclusion of an untested citizenship question has been proposed by the Department of Commerce and accurate and reliable information on how the Census Bureau will handle this question is not yet available; and

WHEREAS, Cook County has the largest concentration of foreign-born residents in the state of Illinois and must be prepared to educate this population on the importance of participating in the Census to avoid an undercount; and

WHEREAS, immigrants are among the hard-to-count populations that have experienced an undercount in the past, with 11,000 very young Latino children having been missed in Cook County alone during the 2010 Census; and

WHEREAS, Illinois experienced total undercounts of 100,000 persons in 2000 and 128,000 in 2010 which cost Cook County an estimated \$19 - \$25 million per year after each decennial survey based on the 2002 US Census Monitoring Committee report to Congress and the 2018 report from the George Washington Institute on Public Policy; and

WHEREAS, it is expected that with limited information on the citizenship question and the chilling effect this population is already experiencing due to increased immigration enforcement, the number of persons missed in an undercount will only increase; and

WHEREAS, based on the Fiscal Year 2017 Annual Report on federal awards issued to Cook County, fourteen of the grants Cook County receives, which total over \$43 million, are reliant on U.S. Census population data; and

WHEREAS, without special efforts to ensure an accurate count of immigrant residents, Cook County is primed not only to lose financially, but is leaving the civil rights and fair representation of its entire population at stake; and

NOW, THEREFORE, BE IT RESOLVED, that an Emergency Fund be established to conduct specialized outreach to immigrant communities throughout Cook County; and

BE IT FURTHER RESOLVED, that a minimum of \$200,000 from the \$600,000 expected surplus in operating funds described in the Fiscal Year 2018 Year-End Projections be allocated to this Fund under the direction of the Chief Financial Officer to temporarily hire two (2) staff to manage the outreach and report to members of the Cook County Complete Count Committee and the Board of Commissioners

Legislative History: 10/17/18 - Board of Commissioners - refer to the Business and Economic Develo

<u>18-6017</u>

Sponsored by: TONI PRECKWINKLE (President), RICHARD R. BOYKIN and JEFFREY R. TOBOLSKI, Cook County Board of Commissioners

PROPOSED ORDINANCE

WEST REGIONAL ENTERPRISE ZONE

AN ORDINANCE FOR THE ESTABLISHMENT OF AN ENTERPRISE ZONE IN THE VILLAGE OF BELLWOOD, THE VILLAGE OF BROADVIEW, THE VILLAGE OF MAYWOOD, THE VILLAGE OF MELROSE PARK AND COOK COUNTY, ILLINOIS SUBJECT TO THE ENTERPRISE ZONE ACT OF THE STATE OF ILLINOIS.

WHEREAS, the State of Illinois Enterprise Zone Act, 20 ILCS 655/1 et seq., as amended (the "Act")

provides for the creation of enterprise zones to encourage private sector investments, stimulate business and industrial growth in economically distressed areas as well as neighborhood revitalization by relaxing government controls and tax incentives throughout the State; and

WHEREAS, the Village of Bellwood, the Village of Broadview, the Village of Maywood, the Village of Melrose Park (collectively, the "Municipalities") and the County of Cook (the "County"), corporate bodies politic organized and existing under the laws of that State of Illinois, each have areas within their respective legal boundaries that are economically distressed with a disproportionate number of residents who have suffered pervasive poverty, unemployment and economic distress related to prolonged economic transformation, shifts of industries throughout the region, and a variety of other factors. These factors have negatively affected areas that would benefit from private sector investments within an Enterprise Zone; and

WHEREAS, the aforesaid Municipalities and County have joined in the collective pursuit of a joint Enterprise Zone, subject to approval of their respective governing bodies; and

WHEREAS, it is determined that it is in the best interest of the citizens of the County and Municipalities to establish an Enterprise Zone and encourage private sector investments within said Enterprise Zone; and

WHEREAS, prior to filing an application for approval of the designation of an Enterprise Zone under the Act, it is required that the County and Municipalities adopt an Ordinance designating the proposed Enterprise Zone.

BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 14-Community Development, Article X-West Regional Enterprise Zone, Section 14-99 through 14-108 of the Cook County Code is hereby enacted as Follows:

Sec. 14-99. Establishment of Enterprise zone and enterprise zone designation - In accordance with the Act, in cooperation with the Village of Bellwood, the Village of Broadview, the Village of Maywood, the Village of Melrose Park and the County of Cook, said municipalities and the County hereby declare, establish, name and designate the West Regional Enterprise Zone (the "Enterprise Zone"); said Enterprise Zone is subject to and contingent on approval by the Illinois Enterprise Zone Board and certification by the Illinois Department of Commerce and Economic Opportunity.

Sec. 14-100. Term - The term of the Enterprise Zone shall commence upon certification and approval of the Illinois Department of Commerce and Economic Opportunity ("DCEO") and shall remain in effect for a period of fifteen (15) calendar years and is subject to review for an additional ten (10) year extension, prescribed under the Act.

Sec. 14-101. Description of zone - The area of the designated Enterprise Zone is described in Exhibit A - Boundaries of Enterprise Zone and depicted in Exhibit B - Map of Enterprise Zone, which exhibits are attached to this Ordinance and incorporated herein by reference, ("Zone Area").

- **Sec. 14-102. Qualifications.** The County and the Municipalities hereby declare and affirm that the proposed Zone Area is qualified for designation as an Enterprise Zone and further affirms and finds that:
- (a) The Zone Area is a contiguous area and entirely within the corporate limits of the County and Municipalities being the Enterprise Zone;
- (b) The Zone Area comprises an area larger than one-half (1/2) square mile and not more than fifteen (15) square miles in total area;
 - (c) The Zone Area is a depressed area;
- (d) The Zone Area addresses a reasonable need to encompass portions of more than one (1) municipality and adjacent unincorporated areas of the County;
- (e) The Zone Area exceeds the minimum requirement of meeting three (3) of the ten (10) criteria specified in the Act (20 ILCS 655/4 (f)) and any additional criteria established by DCEO;
- (f) A public hearing was conducted pursuant to a notice duly published in a newspaper of general circulation, within the Zone Area, not more than twenty (20) days nor less than five (5) days before the hearing date on questions about whether or not to create the Enterprise Zone, what local plans, tax incentives and other programs should be established in connection with said Enterprise Zone and what the boundaries thereof should be; and
- (g) The Zone Area meets the qualifications under Section 4 of the Act and satisfies any additional criteria stated in the Act or established by the Rules of DCEO.
- All of the Findings are supported, sustained and consistent with the substantive materials contained in Exhibit C, attached hereto, and incorporated herein by reference.
- **Sec. 14-103. Incentives.** The County and Municipalities offer incentives designed to encourage businesses in the private sector to locate or expand within an Enterprise Zone, subject to terms, conditions, rules and legal limitations in the law:
- (a) State sales tax exemption. Pursuant to applicable law, the County and Municipalities authorize any retailer, as defined in the Retailers' Occupation Tax Act (35 ILCS 120.1 et. seq.) who makes a qualified sale of building materials to be permanently affixed and incorporated into real estate located within the Enterprise Zone, as amended from time to time, in connection with the expansion, rehabilitation or new construction of a qualified project may deduct receipts from such sale when calculating the tax imposed by the State, City, Village and County, pursuant to the Retailers' Occupation Tax Act; provided, however, that said deduction shall be allowed if and only if the retailer obtains from the purchaser an Enterprise Zone Building Materials Exemption Certificate (as that term is defined in the Act,

the "Exemption Certificate"), which must contain the Exemption Certificate number issued to the purchaser by the Illinois Department of Revenue. Upon request from the Zone Administrator, the Illinois Department of Revenue shall issue an Exemption Certificate for each construction contractor or other entity identified by the Zone Administrator. The Illinois Department of Revenue shall make the Exemption Certificates available directly to the Zone Administrator and each construction contractor or other entity. The Department of Revenue shall issue the Exemption Certificate within three business days after receipt of request from the Zone Administrator. The Exemption Certificates shall be provided to the retailer at the time of sale and maintained by such retailer in its books and records for the purposes of documenting such deduction. Exemption Certificates shall be valid for twelve (12) months from the date of issuance; provided, however, that such Exemption Certificates may be extended for an additional twelve (12) months upon request to the Zone Administrator. Such requests for extension shall not be granted more than twice for any one project, and the requesting party must demonstrate good faith efforts to diligently pursue construction of the project.

- (b) State Enterprise Zone machinery and equipment consumables/pollution control facilities sales tax exemption. A 6.25 percent state sales tax exemption on purchases of tangible personal property to be used in the manufacturing or assembly process or in the operation of a pollution control facility within an Enterprise Zone is available. Eligibility is based on a business making an investment in an Enterprise Zone of at least \$5 million in qualified property that creates a minimum of 200 full-time equivalent jobs, a business investing at least \$40 million in a Zone and retaining at least 2,000 jobs, or a business investing at least \$40 million in a Zone which causes the retention of at least 80 percent of the jobs existing on the date it is certified to receive the exemption.
- (c) State Enterprise Zone utility tax exemption. A state utility tax exemption on gas, electricity and the Illinois Commerce Commission's administrative charge and telecommunication excise tax is available to businesses located in Enterprise Zones. Eligible businesses must make an investment of at least \$5 million in qualified property that creates a minimum of 200 full-time equivalent jobs in Illinois, an investment of \$20 million that retains at least 1,000 full-time equivalent jobs, or an investment of \$175 million that creates 150 full-time equivalent jobs in Illinois. The majority of the jobs created must be located in the Enterprise Zone where the investment occurs.
- (d) State Enterprise Zone investment tax credit. A state investment tax credit of 0.5 percent is allowed a taxpayer who invests in qualified property in a Zone. Qualified property includes machinery, equipment and buildings. The credit may be carried forward for up to five (5) years. This credit is in addition to the regular 0.5 percent investment tax credit, which is available throughout the state, and up to 0.5 percent credit for increased employment over the previous year.
- (e) State contribution deduction. Businesses may deduct double the value of a cash or in-kind contribution to an approved project of a Designated Zone Organization from taxable income as allowed under the Act.

Sec. 14-104. Zone administration - Upon designation as an Enterprise Zone by DCEO, a Zone

Management Board (the "ZMB") shall be formed and comprised of one representative appointed by each municipality and County. The ZMB will be the governing body of the Enterprise Zone and will elect a chairman, create and appoint the position of Zone Administrator ("ZA") and will be responsible for all decisions within the Enterprise Zone that may include charging fees associated with the administration of the Enterprise Zone up to 0.5% (one half of one percent) of the cost of building materials of the project associated with the Enterprise Zone, provided that the maximum fee is no more than \$50,000, as permitted by the Act (20 JLCS 655/8.2 (c)). The Zone Administrator is responsible for the day-to-day operation of the Enterprise Zone including:

- (a) Supervise the implementation of the provisions of the Enterprise Zone Intergovernmental Agreement and the Act.
- (b) Act as a liaison between the County, Municipalities, DCEO, Designated Zone Organizations, and other State, Federal and local agencies, whether public or private.
- (c) Conduct an ongoing evaluation of the Enterprise Zone Programs and submit evaluative reports to the ZMB.
- (d) Promote the coordination of other relevant programs, including, but not limited to, housing, community and economic development, small business, financial assistance and employment training within the Enterprise Zone.
 - (e) Recommend qualified Designated Zone Organizations to the ZMB.
- (f) Have other such duties as specified by the ZMB, including the appointment of authorized personnel as appropriate, to assure the smooth operation of the Enterprise Zone.
- (g) The Zone Administrator shall file a copy of the Enterprise Zone's fee schedule with DCEO by April 1 of each year.
- Sec. 14-105. Enterprise zone goals The County and Municipalities hereby approve the following activities, which have been identified as initial goals of the Enterprise Zone:
 - (a) To identify available sites and vacant or underused buildings for new or expanding businesses.
 - (b) To market available sites and buildings on the economic development websites.
- (c) To assist businesses and Enterprise Zone residents in receiving available local, state, or federal economic development incentives and benefits.
- (d) To hold educational forums and programs for Enterprise Zone communities, businesses and residents to explain and promote program benefits and incentives.

(e) To coordinate available and future economic development incentives within the Enterprise Zone.

Sec. 14-106. Intergovernmental agreement - The Enterprise Zone shall be governed, managed and operated in accordance with the Intergovernmental Agreement between the County and Municipalities as set forth in Exhibit D, which is attached hereto and incorporated into this Ordinance by reference. The chief elected official or designee of the County and Municipalities is hereby authorized to execute the Intergovernmental Agreement on behalf of the County and Municipalities and further authorized to sign all documents reasonably necessary in the furtherance of the Joint Application for said Enterprise Zone, to be filed with DCEO.

Sec. 14-107. Severability - This Ordinance and every provision thereof shall be considered severable and the invalidity of any Section clause, paragraph, sentence or provision of this Ordinance will not affect the validity of any other portion of this Ordinance.

Sec. 14-108. Publication and effective date - The County and Municipalities are hereby authorized to publish this Ordinance in pamphlet form. This Ordinance shall be in full force and effect from its passage, approval and publication as required by law.

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

Legislative History: 9/26/18 - Board of Commissioners - refer to the Business and Economic Develop

Secretary

12 Amen B. Dlum

Chairman: Garcia Vice-Chairman: Moody

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