

December 17, 2017

Testimony to the Business and Economic Development Committee

Given by: Kristi DeLaurentiis, Executive Director, South Suburban Mayors and Managers Association

Re: 17-9977 Tax Incentive Ordinance Amendment

The South Suburban Mayors and Managers Association (SSMMA), the Chicago Economic Development Corporation, and our member communities want to express support for the proposed amendment before you today. SSMMA, representing 38 Cook County municipalities, worked closely with the County's Bureau of Economic Development (BED), with consultation from the Assessor's office, late last year to address issues related to the existing Incentive Ordinance that have been of concern to south suburban communities. We were working to address the unintended consequences that were created with the modifications to the current Tax Incentive Ordinance. SSMMA's Legislative Committee, Executive Committee and Board has expressed support for our legislative effort on this matter and supports today's proposed amendment as it addresses IMMEDIATE issues related to the affidavit which places in jeopardy existing businesses, new businesses in the current pipeline that have committed to Cook County and are awaiting a property tax abatement, and future development.

The recent affidavits were unexpected and many municipalities are unable to provide assistance to existing incentive holders due to lack of staff and/or knowledge. This puts current incentive holders and new applicants at risk of losing their property tax incentive which could be catastrophic to many businesses in the Southland. Due to timing, it could be 12-18 months before a Certificate of Error could be issued and many businesses cannot sustain that long of a delay. Let's not forget that the affidavits and issues related to the changes this year with tax incentives are being experienced this year most significantly in the Southland as the changes have coincided with its Triennial Assessment. While other parts of the County have rebounded from the recession, the South Suburbs have not, magnifying the issues and the need for market recovery and stability.

I'm joined today by mayors and municipal representatives to make sure you understand that the current ordinance has created uncertainty at the community level and is stymying investment. The recent changes to Cook County's property tax incentives have impeded the usefulness of the property tax incentives to spur new investment in the south suburbs as they are more complicated and challenging to navigate.

Our Class 8s and other incentives help level the playing field in the south suburbs to permit consideration of business investment vs. Indiana and Will County. These incentives are not an inducement to a project but a necessity to compete with surrounding areas BUT only if there is a simplicity and constancy with the Incentive program. Recent changes to the Incentive Ordinance

were seen as “more bureaucracy and red tape” within Cook County. We need to resolve these issues immediately—which the proposed amendment does—then work together to develop new tools or programs to spur greater investment in the south suburbs and throughout the County.

We appreciate the focus and attention of the President’s Office, the Cook County Board of Commissioners and the Bureau of Economic Development on the south suburbs through its South Suburban Economic Growth Initiative that seeks to expand the economy of the Chicago Southland. We recognize and value the cooperative work as a first step towards stabilizing and promoting redevelopment within our region. It is in this spirit that we ask for support for today’s Amendment and pledge to continue to work with you to improve the tax incentive process and to ultimately fostering significant new investment in our south suburban region and other communities throughout Cook County.

Sincerely,

A handwritten signature in cursive script that reads "Kristi DeLaurentiis". The signature is written in black ink and is positioned below the word "Sincerely,".

Kristi DeLaurentiis
SSMMA Executive Director