

**PROPOSED SUBSTITUTE TO FILE 19-4644**

**(Business and Economic Development Committee 9/25/2019 recessed to 9/26/2019)**

**PROPOSED RESOLUTION**

**ASHLAND COLD STORAGE COMPANY CLASS 6B SUSTAINABLE EMERGENCY RELIEF (SER)**

**WHEREAS**, the Cook County Bureau of Economic Development received and reviewed a Real Property Assessment Classification 6b Sustainable Emergency Relief (SER) application containing the following information:

**Applicant:** Ashland Cold Storage Company

**Address:** 1556 West 43rd Street, Chicago, Illinois 60609

**Length of time at current location:** 56 years

**Length of time property under same ownership:** 56 years

**Is there evidence supporting 10 years of the same ownership and/or occupancy (tenancy):** Yes

**Age of the Property (Building):** 56 years

**Municipality or Unincorporated Township:** City of Chicago

**Cook County District:** 11

**Permanent Index Number(s):** 20-05-111-017-0000;20-05-112-001-0000; 20-05-112-010-0000 and 20-05-300-019-0000

**Municipal Resolution Number:** City of Chicago Resolution No. R2019-236

**Evidence of Economic Hardship:** Due to oppressively high labor, energy, insurance, State Income Taxes, local property taxes and other burdensome costs, has caused Ashland to suffer economic hardship. In order to reduce operating cost the company would have to relocate its entire operation to Gary, Indiana.

**Number of blighting factors associated with the property:** Three (3) blighted factors: **Deterioration** – The roof is 45 years old and a portion of the roof will need to be replaced and other portions of the roof will need to be repaired; **Obsolescence**- The cold storage equipment old and obsolete and Ashland is unable to procure and suppliers t service the equipment replacement cost is estimated at \$107,933 **and Equalized Assessed Value**- Currently the land is locked by Ashland Avenue to the west and west 42nd street to the north with no ability to expand.

**Has justification for the Class 6b SER program been provided?:** Yes

**Proposed use of property: Industrial – Manufacturing:** Manufacturing, assembling, packaging, warehousing, and shipping of plastic injection molds and products for the automotive, military, industrial, aerospace and agricultural industries globally.

**Living Wage Ordinance Compliance Affidavit Provided:** Yes

**WHEREAS**, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b Sustainable Emergency Relief (SER) that provides an applicant a reduction in the assessment level for a long-term existing industrial enterprise that meets the qualifications of the SER program; and

**WHEREAS**, the Cook County Classification System for Assessment requires that an applicant under the Class 6b SER program provide evidence justifying their participation in the subject program; and

**WHEREAS**, Class 6b SER requires a resolution by the County Board validating the property for the purpose of the Class 6bSER Program; and

**WHEREAS**, the industrial enterprise that occupies the premises has been at the same location for a minimum of ten years prior to the date of the application for the Class 6b SER Program;

**WHEREAS**, the industrial enterprise that occupies the premises has submitted evidence of economic hardship to the Cook County Bureau of Economic Development supporting a determination that participation in the Class 6b SER Program is necessary for the industrial enterprise to continue its operations at its current location and maintain its staff, and without the Class 6b SER the industrial enterprise would not be economically viable causing the property to be in imminent risk of becoming vacant and unused; and

**WHEREAS**, the applicant is not receiving another Cook County Property Tax Incentive for the same property; and

**WHEREAS**, the municipality states the Class 6b SER is necessary for the industrial enterprise to maintain its operations on this specific real estate. The municipal resolution cites the qualifications of this property to meet the definition of the Class 6b SER program; and

**WHEREAS**, industrial real estate is normally assessed at 25% of its market value, qualifying industrial real estate eligible for the Class 6b SER can receive a significant reduction in the level of assessment from the date that the application is approved by the Cook County Assessor. Properties receiving Class 6b SER will be assessed at 10% of the market value for 10 years, 15% for the 11<sup>th</sup> year and 20% in the 12<sup>th</sup> year; and

**WHEREAS**, the applicant understands that the Class 6b SER classification is not renewable and also the applicant vacates the specific real estate while the Class 6b SER is in place the designation will terminate and the assessment level will immediately revert back to the 25% assessment level; 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 meets the requirements of the Class 6bSER Program; 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