

Board of Commissioners of Cook County Minutes of the Business and Economic Development Committee

9:30 AM

Wednesday, October 26, 2016

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

ATTENDANCE

Present: García, Arroyo, Butler, Gainer, Morrison, Moore and Schneider (7)

Absent: Steele (1)

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

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

1. George Blakemore, Concerned Citizen

16-6047 COMMITTEE MINUTES

Approval of the minutes from the meeting of 9/13/2016-Public Hearing

A motion was made by Commissioner Arroyo, seconded by Commissioner Morrison, to approve 16-6047. The motion carried by the following vote:

Ayes: García, Arroyo, Butler, Gainer, Morrison, Moore and Schneider (7)

Absent: Steele (1)

16-6048

COMMITTEE MINUTES

Approval of the minutes from the meeting of 9/14/2016

A motion was made by Commissioner Arroyo, seconded by Commissioner Morrison, to approve 16-6048. The motion carried by the following vote:

Ayes: García, Arroyo, Butler, Gainer, Morrison, Moore and Schneider (7)

Absent: Steele (1)

16-5114

Sponsored by: TONI PRECKWINKLE (President) and PETER N. SILVESTRI, Cook County Board Of Commissioners

PROPOSED RESOLUTION

RNR LITHOGRAPHER INC. 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: RNR Lithographer Inc.

Address: 8115 W. Grand Avenue, River Grove, Illinois 60171

Length of time at current location: 58 Years

Length of time property under same ownership: 58years

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

Age of the Property (Building):

Municipality or Unincorporated Township: Leyden

Cook County District: 9th

Permanent Index Number(s): 12-26-417-003-0000 and 12-26-417-004-0000

Municipal Resolution Number: Village of River grove Resolution No. 2014-R-20

Evidence of Economic Hardship: Yes

Number of blighting factors associated with the property: Three (3): Dilapidation; Obsolescence and Deterioration

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

Estimated # of jobs created by this project: None

Estimated # of jobs retained at this location: four (4) full-time, four (4) part-time

Estimated # of employees in Cook County: Not applicable

Estimated # of construction jobs: None

Proposed use of property: Industrial - Manufacturing: RNR Lithographer Inc. d/b/a as Manor Press. Digital Printing and Printing Press Company

Living Wage Ordinance Compliance Affidavit Provided:

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 is 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 11th year and 20% in the 12th year; and

WHEREAS, the applicant understand 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

A motion was made by Commissioner Schneider, seconded by Commissioner Morrison, to recommend for approval 16-5114. The motion carried by the following vote:

Ayes: García, Arroyo, Butler, Gainer, Morrison, Moore and Schneider (7)

Absent: Steele (1)

16-5118

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

PROPOSED RESOLUTION

1221 LANDMEIER, 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: 1221 Landmeier, LLC

Address: 1221 Landmeier Road, Elk Grove, Illinois 60007

Municipality or Unincorporated Township: Elk Grove

Cook County District: 15

Permanent Index Number: 08-27-400-083-0000 and 08-27-400-084-0000

Municipal Resolution Number: Village of Elk Grove Resolution No. 9-15

Number of month property vacant/abandoned: under 24 months vacant

Special circumstances justification requested: Yes

Estimated Number of jobs created by this project: five (5) - 15full-time, # part-time

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

Estimated Number of employees in Cook County: 31 full-time, eight (8) part-time

Estimated Number of construction jobs: 20-30 construction jobs

Proposed use of property: Manufacturing, warehousing and 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 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

A motion was made by Commissioner Schneider, seconded by Commissioner Arroyo, to recommend for approval 16-5118. The motion carried by the following vote:

Ayes: García, Arroyo, Butler, Gainer, Morrison, Moore and Schneider (7)

Absent: Steele (1)

16-5120

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

PROPOSED RESOLUTION

RYAN HUNT, 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: Ryan Hunt, LLC

Address: 1200 S. Willis Avenue, Wheeling, Illinois 60090

Municipality or Unincorporated Township: Wheeling

Cook County District: 14

Permanent Index Number: 03-14-102-029-0000

Municipal Resolution Number: Village of Wheeling Resolution No. 16-43

Number of month property vacant/abandoned: 11 months vacant

Special circumstances justification requested: Yes

Estimated Number of jobs created by this project: 15 full-time

Estimated Number of jobs retained at this location: 27 full-time

Estimated Number of employees in Cook County: not applicable

Estimated Number of construction jobs: 20-30 construction jobs

Proposed use of property: Manufacturing, warehousing and distribution of athletic uniforms.

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

A motion was made by Commissioner Morrison, seconded by Commissioner Schneider, to recommend for approval 16-5120. The motion carried by the following vote:

Ayes: García, Arroyo, Butler, Gainer, Morrison, Moore and Schneider (7)

Absent: Steele (1)

16-5497

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

PROPOSED RESOLUTION

1600 DePRIZO TMG 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: 1600 Deprizo TMG LLC

Address: 1600 N. De Prizio Drive, Melrose Park, Illinois

Municipality or Unincorporated Township: Melrose Park

Cook County District: 16th

Permanent Index Number: 15-04-208-006-0000

Municipal Resolution Number: Village of Melrose Park Resolution No. 15-16

Number of month property vacant/abandoned: Less than 24 months vacant

Special circumstances justification requested: Yes

Estimated Number of jobs created by this project: five (5) - seven (7) full-time, five (5) - seven (7) part-time

Estimated Number of jobs retained at this location: 15 full-time, 15 part-time

Estimated Number of employees in Cook County: not applicable

Estimated Number of construction jobs: 10 construction jobs

Proposed use of property: Warehousing and 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 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

A motion was made by Commissioner Arroyo, seconded by Commissioner Schneider, to recommend for approval 16-5497. The motion carried by the following vote:

Ayes: García, Arroyo, Butler, Gainer, Morrison, Moore and Schneider (7)

Absent: Steele (1)

16-4643

Sponsored by: TONI PRECKWINKLE (President) and JESÚS G. GARCÍA, Cook County Board Of Commissioners

PROPOSED ORDINANCE AMENDMENT

TAX INCENTIVE ORDINANCE AMENDMENT

BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 74 TAXATION, ARTICLE II REAL PROPERTY TAXATION, DIVISION 2 CLASSIFICATION SYSTEM FOR ASSESSMENT, Sec. 74-62 through 74-63 and Sec. 74-73 of the Cook County Code is hereby amended as follows:

Sec. 74-62. - System established; terms defined.

(a)*Established.* The County hereby establishes the system of classifying real estate for the purposes of assessment for taxation set forth in this division.

(b)*Definitions*. The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

Abandoned property means, except as otherwise specified in Section 74-63, 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.

Area in need of commercial development means any area within the County which satisfies the provisions of Section 74-65(a).

Certified local government means a unit of local government fulfilling the requirements of the National Historic Preservation Act of 1966 (16 U.S.C. § 470a) [the "Act"] that has been certified by the Illinois State Historic Preservation Officer pursuant to the Act.

Community area means an area within the City of Chicago so designated and identified by the Social and Economic Characteristics of Chicago's Population: Community Area Profiles, December 1992 or revisions thereto, or in the County outside the City of Chicago, as defined by the municipality concerned or by the County in unincorporated areas.

Contributing building means a building which is a historic structure within a specifically designated historic or landmark district pursuant to a local ordinance, approved by a certified local government, which has been certified by the Illinois Historic Preservation Agency, and which meets the following criteria:

- (1) The building was constructed within or present during the period of historical significance of the district;
- (2) The building relates to the significant features, qualities and/or themes that give the district its historic, cultural and/or architectural significance; and
- (3) The building substantially retains its design, materials and appearance from the period of historical significance of the district; or if substantially altered, the changes are reversible such that, through the substantial rehabilitation of the building, the building will be returned to a state that substantially retains its design, materials and appearance from the period of historical significance of the district.

Cook County Tax Reactivation Project means a project in the County of Cook administered by the Cook County Assessor's Office, or other authorized entity, wherein marketable properties located in the County of Cook are identified and then purchased through the no cash bid process pursuant to Chapter 35 of the Illinois Compiled Statutes, or any subsequent statute.

Expiring contract means a project based assistance contract under Section 8 of the United States

Housing Act of 1937 (42 U.S.C. § 1437f) which, under the terms of the contract, will expire.

Fair market rent and HUD FMR mean the fair market rental established under Section 8(c) of the United States Housing Act of 1937 (42 U.S.C. § 1437f).

HUD means the United States Department of Housing and Urban Development (HUD).

HUD's Section 8 renewal policy guidelines means that certain handbook titled "Section 8 Renewal Policy: Guidelines for the Renewal of Project Based Section 8 Contracts" as published from time to time by the United States Department of Housing and Urban Development Office of Multi-Family Housing, as amended from time to time, or any successor publication.

Illinois Historic Preservation Agency means the Illinois Historic Preservation Agency, established pursuant to the Historic Preservation Agency Act (20 ILCS 3405/1, et seq.) and the Illinois Historic Preservation Act (20 ILCS 3410/1, et seq.).

In need of substantial revitalization means an area no less than ten contiguous acres or more than one contiguous square mile in size which is in a state of extreme economic depression evidenced by such factors, as defined in the rules and regulations as promulgated by the Office of the County Assessor, among others, as:

(1) Substantial unemployment;

- (2) A low level of median family income;
- (3) Aggravated abandonment, deterioration, and underutilization of properties;
- (4) A lack of viable industrial and commercial buildings whose absence significantly contributes to the depressed economic and unemployment conditions in the area;
- (5) A clear pattern of stagnation or decline of real estate taxes within the area as a result of its depressed condition;
- (6) A manifest lack of economic feasibility for private enterprise to accomplish the necessary modernization, rehabilitation and development of the area without public assistance and encouragement; and
- (7) Other factors which evidence an imminent threat to public health, welfare and safety.

Industrial Growth Zone means real estate located within certain enterprise zones within Cook County as identified by the Cook County Board of Commissioners, including the Cal-Sag Enterprise Zone, Calumet Enterprise Zone, Will-Cook Enterprise Zone, and Lincoln and 394 Corridor Enterprise Zone and such other industrial areas as may be designated by the Cook County Board of Commissioners as areas in need of industrial development or redevelopment, and real estate located in certain industrial corridors which have been identified as areas in need of industrial development or redevelopment, including the Burnside Industrial Corridor, Calumet Industrial Corridor, Greater Southwest Industrial Corridor, Northwest Industrial Corridor, and Roosevelt-Cicero Industrial Corridor as identified by the

City of Chicago.

Landmark means a building which is specifically designated as a historic or landmark structure pursuant to a local ordinance, approved by a certified local government, pursuant to its criteria, which have been certified by the Illinois Historic Preservation Agency. The definition of landmark does not include a facade or other architectural element which has been preserved and designated as a historic structure, if the remainder of the building has been demolished and replaced.

Low- or moderate-income person or household means a person or household occupying a single dwelling unit and whose combined annual income is equal to or less than the income limits for low-income families for the Chicago Metropolitan Statistical Area as determined by the Secretary of the United States Department of Housing and Urban Development pursuant to the United States Housing

Act of 1937 (42 U.S.C. § 1437 et seq.). A household consists of all the occupants of a legal dwelling unit, related or unrelated.

Major rehabilitation means, for purposes of the Class 9 provisions of this division only, the extensive renovation or replacement of primary building components or systems as further prescribed by rule of the Assessor.

Manufacturing means the material staging and production of goods used in procedures commonly regarded as manufacturing, processing, fabrication, or assembling which changes existing material into new shapes, new qualities, or new combinations and including research and development associated with the production of goods.

Mark up to market option means a contract renewal option, pursuant to Section 524(a)(4)(A) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 [MAHRA] (Title V of Public Law No. 105-65, October 27, 1997, 111 Stat. 1384ff), as amended by Section 531 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000 (Pub. L. No. 106-74, October 20, 1999, 113 Stat. 1109ff) (42 U.S.C. § 1437f) or any successor statute, for eligible properties located in strong markets, where a rent comparability study conducted by HUD has determined that comparable market rents are at or above 100 percent of the HUD Fair Market Rent, and for which HUD is authorized to approve renewal terms providing rents higher than the HUD FMR. The mark up to market option includes increasing rents from the HUD FMR to the level of an existing use restriction on a property.

Mark up to market option under HUD's discretionary authority means a contract renewal option, pursuant to Section 524 (a)(4)(C) or (D) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 [MAHRA] (Title V of Public Law No. 105-65, October 27, 1997, 111 Stat. 1384ff), as amended by Section 531 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000 (Pub. L. No. 106-74, October 20, 1999, 113 Stat. 1109ff) (42 U.S.C. § 1437f) or any successor statute, providing rents higher than the HUD FMR, based on the exercise of HUD's discretionary authority, for properties which do not necessarily meet the usual eligibility criteria, but do meet a special set of statutory criteria, in that a vulnerable population is affected; there is a low vacancy rate in the area, which would make tenant based assistance difficult to use, or a lack of comparable housing; or the project is a high priority for the local community, as demonstrated by a contribution of state or local funds to the property.

Market value means that value, estimated at the price it would bring at a fair voluntary sale.

Marketable means tax delinquent commercial and/or industrial parcels targeted by the South Suburban Tax Reactivation Program which have been identified by the County Department of Planning and Development, or other authorized entity, as a property, that if developed, would bring economic benefit to the affected taxing districts.

Multifamily residential real estate means real estate which is used primarily for residential purposes and consists of an existing multifamily building containing seven or more rental dwelling units.

No further remediation letter means a letter from the IEPA, addressing the entire site, approving or approving with conditions a remedial action completion report.

Period of historical significance, for purposes of the Class L provisions of this division, means the period of development history (represented by the buildings in the district) for which the district is significant.

Preservation commission means a commission or similar body established by a certified local government pursuant to the National Historic Preservation Act of 1966 (16 U.S.C. § 470a) [the "Act"], generally for the purpose of identifying, preserving, protecting, recommending for designation and encouraging the continued use and the rehabilitation of areas, properties and structures having historical and/or architectural significance.

Real estate means not only the land itself, whether laid out in town or city lots, or otherwise, with all things contained therein, but also all buildings, structures and improvements, and their permanent fixtures, of whatsoever kind, thereon, and all rights and privileges belonging or in anywise pertaining thereto. Included therein is any vehicle or similar portable structures used or so constructed as to permit its being used as a dwelling for one or more persons; if such structure is resting in whole on a permanent foundation.

Real estate, improved. For purposes of this division and more particularly Section 74-63, real estate while under lease or license to a unit of local government for an annual rental or fee of not more than \$1.00, shall not be deemed to be improved as a result of any alterations, additions or modifications consisting of the construction, landscaping, maintenance, or beautification of parks, parkways, parking lots, playgrounds, or similar public facilities operated or maintained for the public benefit. During the term of such lease or license, including extensions thereof, the real estate which is the subject of such lease or license shall be treated as though such alterations, additions, or modifications have not been made.

Real estate used for commercial purposes means any real estate used primarily for buying and selling of goods and services, or for otherwise providing goods and services, including any real estate used for hotel and motel purposes.

Real estate used for industrial purposes means any real estate used primarily in manufacturing, as defined in this Section, or in the extraction or processing of raw materials unserviceable in their natural state to create new physical products or materials, or in the processing of materials for recycling, or in

the transportation or storage of raw materials or finished physical goods in the wholesale distribution of such materials or goods for sale or leasing.

Real estate used for residential purposes means any improvement or portion thereof occupied solely as a dwelling unit.

Remedial action plan means a plan addressing remediation of the entire site, approved by the IEPA pursuant to its site remediation program. The plan must include, as applicable: an executive summary;

remediation objectives appropriate for the described planned industrial or commercial use; remedial technologies selected; confirmation sampling plan; applicable preventive, engineering, and institutional controls and monitoring procedures; cost estimates and timetable.

Rents affordable to low- and moderate-income persons and households means gross rents that do not exceed 30 percent of the adjusted income of a household whose income equals 55 percent of the median income for the Chicago Metropolitan Statistical Area, with adjustments for number of bedrooms in the units, as determined annually by the Secretary of the United States Department of Housing and Urban Development, or rents for units occupied by households receiving housing assistance under Section 8 of the United States Housing Act of 1937 (42 U.S.C. § 1437 et seq.). The term "gross rents" means the rental cost of the unit plus any allowances for tenant paid utilities (except telephone), services and appliances.

Section 8 contract means a contract for project-based assistance for a multifamily housing project under Section 8 of the United States Housing Act of 1937 (42 U.S.C. § 1437f).

Section 8 contract renewal means (a) renewal of a Section 8 contract for an additional five years under the mark up to market option or under the mark up to market option under HUD's discretionary authority, after a determination of eligibility by HUD pursuant to its authority under Section 524(a)(4) (A), (C), or (D) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 [MAHRA] (Title V of Public Law No. 105-65, October 27, 1997, 111 Stat. 1384ff), as amended by Section 531 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000 (Pub. L. No. 106-74, October 20, 1999, 113 Stat. 1109ff) (42 U.S.C. § 1437f) or any successor statute; or (b) renewal of a Section 8 contract by a not-for-profit corporation under any available option under HUD's renewal procedures as described in HUD's Section 8 Renewal Policy Guidelines.

Single room occupancy means a room rented as sleeping or living quarters with or without cooking facilities located in the same room as the sleeping or living quarters, and with or without individual bathrooms.

Single room occupancy building means a multiunit residential building in which at least 90 percent of the units are single room occupancy units, excluding rooms occupied by management employees, and in which at least 75 percent of the annual occupancy of the SRO units is for monthly terms.

Site means, for the purposes of the Class C provisions of this division, the real estate which is remediated and developed for industrial or commercial use. The site must be identified by property index number, and must be delineated by an accurate legal description if it comprises less than the whole of

any parcel at the time of application.

Site remediation program or program means remediation of the site as appropriate for the planned industrial or commercial use, according to a remedial action plan approved by the Illinois Environmental Protection Agency (IEPA), pursuant to its site remediation program, under the authority of Title XVII of the Environmental Protection Act (415 ILCS 5/58 et seq.).

State Historic Preservation Officer means the Director of the Illinois Historic Preservation Agency.

Substantial rehabilitation,, for the purposes of the Class L provisions of this Article only, means the extensive renovation or replacement of primary building systems of the landmark and/or the significant improvement of the condition of the landmark, as further prescribed by rule of the Assessor; which meets or exceeds the standards of the United States Department of the Interior for rehabilitation, preservation, restoration, and reconstruction of historic properties; and which has been completed in accordance with plans approved by the certified local government within which the landmark is located.

Targeted area means census tracts in the City of Chicago or census block groups in the County outside of the City of Chicago, as defined and identified by the U.S. Census Bureau's most recent census, in which at least 51 percent of the residents are low- or moderate-income persons.

Sec. 74-63. - Assessment classes.

Real estate is divided into the following assessment classes:

- (1) Class 1. Unimproved real estate.
- (2) Class 2. Real estate:
 - a. Used as a farm;
 - b. Used for residential purposes when improved with a house, an apartment building of not more than six living units, or residential condominium, a residential cooperative or a government subsidized housing project, if required by statute to be assessed in the lowest assessment category;
 - c. Improved with a building put to commercial and residential use, of six or less units where the building measures less than 20,000 square feet of above grade space; or
 - d. Real estate improved with a single room occupancy building, as defined in this division, provided that:
 - 1. At least one-third of the single room occupancy units are leased at no more than 80 percent of the current "Fair Market Rent Schedule for Existing Housing for Single Room Occupancy Units" as set by the United States Department of Housing and Urban Development (hereinafter "FMR schedule");
 - 2. No single room occupancy units are leased at rents in excess of 100 percent of the

current FMR schedule;

- 3. The overall maximum average rent per unit for all single room occupancy units in the building shall not exceed 90 percent of the current FMR schedule; and
- 4. The subject property is in substantial compliance with all local building, safety and health codes and requirements.

In the event that the owner fails to comply with these requirements, the Class 2 classification shall be revoked.

- (3) *Class 3.* All improved real estate used for residential purposes which is not included in any other class.
- (4) *Class 4.* Real estate owned and used by a not-for-profit corporation in furtherance of the purposes set forth in its charter unless used for residential purposes. If such real estate is used for residential purposes, it shall be classified in the appropriate residential class.
- (5) *Class 5a*. All real estate not included in Class 1, Class 2, Class 3, Class 4, Class 5b, Class 6b, Class C, Class 7a, Class 7b, Class 7c, Class 8, Class 9, Class S or Class L of this Section.
- (6) *Class 5b.* All real estate used for industrial purposes as defined herein and not included in any other class.
- (7) *Class 6b.* Real estate used primarily for industrial purposes, consisting of all newly constructed buildings or other structures, including the land upon which they are situated; or abandoned property, 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. 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.

a. An applicant must obtain from the municipality in which the real estate is located or the County Board if the real estate is located in an unincorporated area, an Ordinance or Resolution expressly stating that the municipality or County Board, as the case may be, has determined that the incentive provided by Class 6b is necessary for development to occur on that specific real estate and that the municipality or County Board, as the case may be, supports and consents to the Class 6b application to the Assessor. A certified copy of the Ordinance or Resolution need not be filed at the time of filing the Class 6b eligibility 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 6b. If the Resolution is not filed at the time of the eligibility 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 supporting the incentive has been requested. If the real estate is located within an Industrial Growth Zone, prior to filing a Class 6b eligibility application with the Assessor and in lieu of an Ordinance or Resolution, an applicant must obtain from an authorized officer of the municipality or an authorized officer of the Cook County Bureau of Economic Development if the real estate is located in an unincorporated area, a letter stating that the municipality or the County Board, as the case may be, supports and consents to the filing of the Class 6b application with the Assessor. A certified copy of the authorized officer letter shall be included with the Class 6b application at the time of filing the application with the Assessor. The application shall include any other information deemed necessary by the Assessor. The applicant must demonstrate that the industrial development project qualifies for the Class 6b classification and shall bear the expense of doing so.

- b. A copy of the Resolution, or letter confirming that a Resolution has been requested, or the letter from an authorized officer if the real estate is in an Industrial Growth Zone, 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.
- c. Class 6b applications for newly constructed or substantially rehabilitated buildings and other structures must be made to the Assessor within one year prior to the commencement of such new construction or substantial rehabilitation to qualify for a Class 6b incentive. With respect to abandoned property, the Class 6b application must be made to the Assessor prior to the commencement of the reoccupation of the vacant and unused property.
- d. 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 finding that the property is deemed "abandoned" for purpose of Class 6b, 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 6b 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 6b, and a County 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 6b 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 6b need not be filed at the time of filing the Class 6b eligibility 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 6b. If the Resolution is not filed at the time of the Class 6b eligibility 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.

If the real estate is located within an Industrial Growth Zone, prior to filing a Class 6b eligibility application with the Assessor and in lieu of an Ordinance or Resolution, an applicant must obtain from an authorized officer of the municipality or an authorized officer of the Cook County Bureau of Economic Development if the real estate is located in an unincorporated area, a letter stating that the municipality or the County Board, as the case may be, supports and consents to the filing of the Class 6b application with the Assessor. A certified copy of the authorized officer letter shall be included with the Class 6b application at the time of filing the application with the Assessor. The application shall include any other information deemed necessary by the Assessor. The applicant must demonstrate that the industrial development project qualifies for the Class 6b classification and shall bear the expense of doing so.

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 finding that the property is deemed "abandoned" for purpose of a Class 6b 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 6b application under the TEERM Program. 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 6b, and a County 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 6b 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 6b need not be filed at the time of filing the Class 6b 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 6b. If the Resolution is not filed at the time of the Class 6b 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.

Sustainable Emergency Relief (SER) 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 finding that the property is deemed "qualified" for purpose of Class 6b under the SER Program if:

- 1. The industrial enterprise that occupies the premises has been at the same location for a minimum of ten years prior to the date of application for the SER Program; and
- 2. The industrial enterprise that occupies the premises submits evidence of hardship supporting a determination that participation in the SER Program is necessary for the industrial enterprise to continue operations at its current location and maintain its staff, and that without such designation the industrial enterprise would not be economically viable causing the property to be in imminent risk of becoming vacant and unused.

The finding that a property is qualified, along with the specification of the special circumstances, and a determination that the applicant's participation in the SER Program is necessary for the industrial enterprise to continue operations at its current location and maintain its staff, and that without such designation the industrial enterprise would not be economically viable causing the property to be in imminent risk of becoming vacant and unused, shall be included in the Resolution or Ordinance supporting and consenting to the Class 6b 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 "qualified" for purposes of Class 6b, and a County 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 "qualified" for purposes of Class 6b 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 "qualified" for purposes of Class 6b need not be filed at the time of filing the Class 6b 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 6b. If the Resolution is not filed at the time of the Class 6b 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 or SER Program under a Class 6b application must be received by the Assessor's Office on or before November 30, 2018 to receive consideration.

The Assessor shall provide by rule for the filing of annual reports by recipients of Class 6b incentives granted pursuant to the SER Program as to the use of the property and the

number of persons employed at the Class 6b site. In such reports, recipients shall be required to certify whether the industrial enterprise that occupied the premises at the time of the SER application continues its operations at that location. In addition, recipients of Class 6b incentives granted pursuant to the SER Program shall be required to report to the Assessor within 30 days if the industrial enterprise that occupied the premises at the time of the SER application ceases operations at that location. 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 est

A motion was made by Commissioner Schneider, seconded by Commissioner Arroyo, to recommend for deferral 16-4643. The motion carried by the following vote:

Ayes: García, Arroyo, Butler, Gainer, Morrison, Moore and Schneider (7)

Absent: Steele (1)

16-4915

Sponsored by: TONI PRECKWINKLE (President) and LARRY SUFFREDIN, Cook County Board Of Commissioners

PROPOSED RESOLUTION

7555 N CALDWELL 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: 7555 N Caldwell LLC

Address: 7555 N Caldwell Avenue, Niles, Illinois 60714

Municipality or Unincorporated Township: Niles

Cook County District: 13

Permanent Index Number: (2) PINs: 10-30-401-007-0000; 10-30-401-013-0000

Municipal Resolution Number: 2016-39R

Number of month property vacant/abandoned: 17 months at the time of application to BED

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: 5 full-time, 0 part-time
Estimated Number of jobs retained at this location: 74 full-time, 0 part-time
Estimated Number of employees in Cook County: 74 full-time, 0 part-time
Estimated Number of construction jobs: 20
Proposed use of property: Industrial-Manufacturing of medical supplies

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 EMERGENY 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.

A motion was made by Commissioner Arroyo, seconded by Commissioner Schneider, to recommend for approval 16-4915. The motion carried by the following vote:

Ayes: García, Arroyo, Butler, Gainer, Morrison, Moore and Schneider (7)

Absent: Steele (1)

ADJOURNMENT

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

Ayes: García, Arroyo, Butler, Gainer, Morrison, Moore and Schneider (7)

Absent: Steele (1)

Respectfully submitted,

Jesus & Gamo

Chairman

Mathen B. Dham

Secretary

A video recording of this meeting is available at https://cook-county.legistar.com.