



# Board of Commissioners of Cook County

118 North Clark Street  
Chicago, IL

## Legislation Details (With Text)

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Date	Ver.	Action By	Action	Result
3/22/2017	1	Business and Economic Development Committee	accept as substituted	Pass
3/22/2017	1	Board of Commissioners	approve	Pass
3/22/2017	1	Business and Economic Development Committee	recommend for approval as substituted	Pass
2/8/2017	1	Business and Economic Development Committee	recommend for deferral	
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12/14/2016	1	Board of Commissioners	refer	Pass

### PROPOSED SUBSTITUTE TO FILE 17-0293 BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE 3/22/2017

**Sponsored by:** JESÚS G. GARCIA, Cook County Board of Commissioner

### TAX INCENTIVE ORDINANCE

**BE IT ORDAINED**, by the Cook County Board of Commissioners, that Chapter 74 TAXATION, ARTICLE II REAL PROPERTY TAXATION, DIVISION 1. - GENERALLY, Sec. 74-46 AND DIVISION 2. - CLASSIFICATION SYSTEM FOR ASSESSMENT, Sec. 74-62 through Sec. 74-73, of the Cook County Code are hereby amended as follows:

#### Sec. 74-46. - Bureau of Economic Development Property Tax Incentive Program Fee.

Cook County Bureau of Economic Development shall charge the following processing fees in connection with the property tax incentive program review conducted by the Bureau of Economic Development:

- (a) All property tax incentive applications received by the Cook County Assessor, as provided for in Division 2 of this Article, that require a Cook County Board of Commissioners Resolution of support shall be assessed a fee of \$1,000.00, except for Class 7a projects where the total development costs are less than \$1,000,000. Upon submission of the property tax incentive application to the Bureau of Economic Development, the applicant seeking the incentive and Resolution of support shall pay a non-refundable fee to the County of Cook to cover

administrative costs related to processing the application.

- (b) All property tax incentive applications received by the Cook County Assessor, as provided for in Division 2 of this Article, that require a Resolution of support from the Economic Development Advisory Committee (EDAC) shall be assessed a fee of \$2,500.00, except for Class 7c projects where the total development costs are less than \$1,000,000. Upon submission of the property tax incentive application to the Bureau of Economic Development, the applicant seeking the incentive and Resolution of support shall pay a non-refundable fee to the County of Cook to cover administrative costs related to processing the application.

**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. Purchase of value shall include all transactions with any government or quasi government entity.

*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.

*Economic Disclosure Statement* means a statement that must be provided in the form of an affidavit by the applicant to the municipality in which the real estate is located, or to the Cook County Board of Commissioners if the real estate is located in an unincorporated area, which is notarized and consists of the following:

- (1) A list of all real estate owned in Cook County by the applicant, including all permanent index numbers associated with such real estate;

(2) Disclosure of the ownership interests of the applicant as set forth in Cook County's Code of Ethical Conduct (Cook County, Ill., Code, Ch. 2, Art. VII, Div. 2, Subdiv. VI, § 2-610); and

(3) Certification that the applicant is not delinquent in the payment of any property taxes administered by Cook County or by a local municipality.

Employee means any individual who works for an Employer.

Employer means any Person or entity that employs twenty or more Employees.

*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 used for industrial purposes 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.

In addition, the Ordinance or Resolution shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

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 may 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. Such authorized officer shall have been designated by the legislative body of the municipality or, in the case of an unincorporated area, by the Cook County Board.

A copy of the authorized officer letter and a certified copy of the legislative action designating the authorized officer shall be included with the Class 6b application and submitted to the Cook County Bureau of Economic Development for verification prior to filing of the application with the Assessor. The applicant must demonstrate that the industrial development project qualifies for the Class 6b classification.

In addition, the letter from the authorized officer shall:

1. Describe the redevelopment objective of the municipality;
  2. State the applicant's intended use of the property; and
  3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.
- b. Following verification that the Class 6b application is in an Industrial Growth Zone and has been properly submitted with a letter from an authorized officer and a certified copy of the legislative action designating the authorized officer, the Bureau of Economic Development will forward the application to the Assessor's Office for filing.

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, along with and a certified copy of the legislative action designating the authorized officer, 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 may 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. Such authorized officer shall have been designated by the legislative body of the municipality or, in the case of an unincorporated area, by the Cook County Board.

A copy of the authorized officer letter and a certified copy of the legislative action designating the authorized officer shall be included with the Class 6b application and submitted to the Cook County Bureau of Economic Development for verification prior to filing of the application with the Assessor.

In addition, the letter from the authorized officer shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

Following verification that the Class 6b application is in an Industrial Growth Zone and has been properly



submitted with a letter from an authorized officer and a certified copy of the legislative action designating the authorized officer, the Bureau of Economic Development will forward the application to the Assessor's Office for filing. A certified copy of the legislative action designating the authorized officer and the authorized officer letter shall be included with the Class 6b application at the time of filing the application with the Assessor. The applicant must demonstrate that the industrial development project qualifies for the Class 6b classification.

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~~:

1. There has been no purchase for value; and
2. 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, and a determination that the applicant's participation in the TEERM Program is necessary for the development to occur, and that without such designation the industrial enterprise would not be economically viable causing the property to be in imminent risk of remaining vacant and unused, shall be included in the Resolution or Ordinance supporting and consenting to the Class 6b application under the TEERM Program.

In addition, the Ordinance or Resolution where applicable shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

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 under the SER Program.

In addition, the Ordinance or Resolution where applicable shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

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 Class 6b incentives pursuant to 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 established by the Assessor's rules shall result in loss of the incentive for the period relating to the non-filing. Additionally, if the industrial enterprise that occupied the premises at the time of the SER application ceases operations at that location, then the Class 6b incentive granted pursuant to the SER program shall terminate.

- e. This classification shall continue for a period of 12 years from the date such new construction (excluding demolition, if any) or such substantial rehabilitation was completed and initially assessed, or in the case of abandoned property, from the date of substantial re-occupancy, or in the case of incentives granted pursuant to the TEERM Program, from the date of the notice of approval. In the case of incentives granted pursuant to the SER Program, this classification shall continue for a period of 12 years from the date of the notice of approval, or until the industrial enterprise that occupied the premises at the time of the SER

application ceases operations at that location if that occurs sooner.

- f. Unless a Class 6b granted pursuant to the TEERM Program or the SER Program, this incentive may be renewed during the last year a property is entitled to a ten percent assessment level pursuant to Section 74-64(7), if the following requirements are met:
    - 1. The taxpayer notifies the Assessor's Office of intent to request renewal of the incentive from the municipality or the County Board if the real estate is located in an unincorporated area;
    - 2. The municipality in which the real estate is located or the County Board, if the real estate is located in an unincorporated area, adopts a Resolution expressly stating that the municipality or the County Board, as the case may be, has determined that the industrial use of the property is necessary and beneficial to the local economy, and supports and consents to renewal of the Class 6b; and
    - 3. A copy of the Resolution and a completed renewal application are filed with the Assessor's Office before the expiration of the ten percent assessment level period.
  - g. Class 6b incentives that are granted pursuant to the TEERM Program or SER Program are not renewable. For all other Class 6b incentives, the number of renewal periods is not limited as long as the property continues to apply and meet the requirements for Class 6b.
  - h. A copy of the request for renewal of the incentive 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.
  - i. If no renewal is obtained, the incentive shall be phased out over the next two years, pursuant to Section 74-64(7). After expiration of the last incentive period, the real estate shall revert to the applicable classification under this Division.
  - j. The Assessor may adopt rules consistent with this subsection necessary to ensure proper review of all factors relevant to determine eligibility for the benefits provided under Class 6b.
  - k. The Assessor shall provide by rule for the filing of triennial reassessment reports by all Class 6b recipients as to the use of the property and the number of persons employed at the Class 6b site. 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 established by the Assessor's rules shall result in loss of the incentive for the period relating to the non-filing.
- (8) *Class C.* Real estate which is to be used for industrial or commercial purposes, including abandoned property, as defined in Section 74-62, including the land upon which such property is situated; or vacant land; where such real estate because of contamination has undergone environmental testing and remediation and has received a "No Further Remediation Letter" from the site remediation program.
- a. To be eligible for a Class C classification an applicant must have received a "No Further Remediation Letter" confirming achievement of the remediation objectives based on the industrial or commercial use.
  - b. The owner of the property is rendered ineligible for the Class C classification by having previously owned or operated the site, directly or indirectly, or having been a partner or being associated through a family or business relationship with anyone who has owned or operated the site, which ownership or operation caused the contamination which was remediated pursuant to a site remediation, except for an employee who worked for an owner, as defined herein, that operated the site. A present owner or employer who can successfully demonstrate that the owner or employer was not responsible for the contamination may be eligible for Class C classification.
  - c. 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 C 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 C application to the Assessor. A certified copy of the Ordinance or Resolution must be filed at the time of application for the Class C classification. A copy of

that Ordinance or Resolution, whichever is submitted, will be forwarded by the Assessor's Office to the Secretary of the Board for distribution to the members of the County Board from the affected districts.

In addition, the Ordinance or Resolution shall:

1. Describe the redevelopment objective of the municipality;
  2. State the applicant's intended use of the property; and
  3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.
- d. To qualify for the Class C classification, an application for Class C classification must be made within one year of the receipt of the "No Further Remediation Letter". Where an application for Class C classification encompasses less than all of the contiguous property owned by the applicant upon which remediation has been completed, the one-year limitation will be waived for any subsequent separate application for Class C classification for the remainder or for additional portions of the property, provided that such subsequent application is made within seven years.
- e. Additionally, to qualify for the Class C classification, the estimated remediation costs, including site investigation, testing, oversight, remediation and removal costs, monitoring, and engineering and legal fees associated with the remediation process, must total at least \$100,000.00, or alternatively, must total at least 25 percent of the market value of the real estate as determined by the Assessor's property record card in the year prior to the remediation, whichever is less.
- f. The initial Class C classification shall continue for a period of 12 years for both industrial and commercial property. For industrial property, this incentive may be renewed during the last year a property is entitled to a 16-percent assessment level, if the following requirements are met:
1. The taxpayer notifies the Assessor's Office of the taxpayer's intent to request renewal of the incentive from the municipality, or the County Board if the real estate is located in an unincorporated area;
  2. The municipality in which the real estate is located or the County Board, if the real estate is located in an unincorporated area, adopts a Resolution expressly stating that the municipality or County Board, as the case may be, has determined that the industrial use of the property is necessary and beneficial to the local economy, and supports and consents to renewal of the Class C; and
  3. A copy of that Resolution and a completed renewal application are filed with the Office of the Assessor before the expiration of the 16-percent assessment level period.
- The number of renewal periods is not limited as long as the property continues to apply and qualify for Class C. Any property which applies for Class C treatment on or before the adoption date of the ordinance from which this division is derived will be eligible for this renewal term at the end of their original incentive period subject to the above requirements. The notice of intent to request renewal which is filed with the Assessor's Office will be forwarded by the Assessor's Office to the Secretary of the Board for distribution to members of the County Board from the effected districts.
- g. If, on November 23, 1999, a property is receiving Class C treatment, but the assessment level is higher than 16 percent, that taxpayer may apply for renewal as outlined above and receive a 16-percent assessment level for the prescribed period beginning after the filing and approval of the resolution and renewal application. However, if, as of that effective date, the taxpayer's assessment is higher than 16 percent and the taxpayer is granted a renewal of the incentive for subsequent years, no reduction of the current assessment level based on renewal of the incentive will be granted. If no renewal is obtained, the incentive shall be phased out over the next two years, pursuant to Section 74-64. After such ten-year period expiration of the last incentive period, the real estate shall revert to the applicable classification under this Division.
- h. For commercial properties, once the original 12-year incentive period has expired, the commercial Class

C incentive will expire. The incentive classification will not be subject to renewal and the real estate shall revert to the applicable classification under this Division.

- i. The Assessor shall review the application and supporting documentation to determine eligibility for the Class C classification. The Assessor may adopt rules consistent with the foregoing necessary to ensure proper review of all factors relevant to determine initial and continued eligibility for the benefits provided under the Class C classification.
- j. The Assessor shall provide by rule for the filing of triennial reassessment reports by all Class C recipients as to the use of the property and the number of persons employed at the Class C site. Such reports shall be verified. Failure to file such reports within the time established by the Assessor's rules shall result in loss of the incentive for the period relating to the non-filing.

(9) *Class 7a.* Real estate used primarily for commercial purposes, comprising a qualified commercial development project, as determined pursuant to Section 74-65(a), located in an area in need of commercial development, where total development costs, exclusive of land, do not exceed \$2,000,000.00, consisting of all newly constructed buildings or other structures, including the land upon which they are situated; or abandoned property, as defined in this Division, 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. 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 that the property is deemed "abandoned" for purposes of Class 7a. 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 7a application.

In addition, the Ordinance or Resolution shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

Notwithstanding the foregoing, special circumstances may not be determined to justify finding that a property is deemed "abandoned" where:

- A. There has been a purchase for value and the buildings and other structures have not been vacant and unused prior to such purchase; or
- B. There has been no purchase for value and the buildings and other structures have been vacant and unused for less than 24 continuous months.

If a municipality enacts enabling legislation which a.) identifies, by permanent index numbers, specific retail corridors or geographies within the boundaries of such municipality that it deems to be distressed and in need of development; b.) authorizes the submission of applications for a Class 7a incentive for properties within such retail corridors, and c.) designates the authorized officer of such municipality, then applicants for a Class 7a incentive located in such retail corridors may obtain and submit, in lieu of an Ordinance or Resolution, a letter from the authorized officer of the municipality approving the submission of the Class 7a incentive application and a certified copy of the municipal enabling legislation.

A copy of the authorized officer letter and a certified copy of the municipal enabling legislation shall be included with the Class 7a application and submitted to the Cook County Bureau of Economic Development for verification prior to filing of the application with the Assessor.

In addition, the letter from the authorized officer shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

Following verification that the Class 7a application is in a retail corridor, as defined herein, and has been properly submitted with a letter from an authorized officer and a certified copy of the municipal enabling legislation, the Bureau of Economic Development will forward the application to the Assessor's Office for filing.

~~Such~~The Resolution or Ordinance, or the authorization letter and a certified copy of the municipal enabling legislation (if applicable), must be filed with the eligibility 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 7a and a Resolution to that effect shall be included with the Class 7a eligibility application filed with the Assessor.

- b. This classification shall continue for a period of 12 years from the date such new construction (excluding demolition, if any) or such substantial rehabilitation was completed and initially assessed, or in the case of abandoned property, from the date of substantial re-occupancy. ~~After such 12-year period, the real estate shall revert to the applicable classification under this Division. This incentive classification will be subject to renewal. Upon termination, the real estate shall revert to the applicable classification under this Division.~~
  - c. The Assessor shall provide by rule for the filing of triennial reassessment reports by all Class 7a recipients as to the use of the property and the number of persons employed at the Class 7a site. Such reports shall be verified. Failure to file such reports within the time established by the Assessor's rules shall result in loss of the incentive for the period relating to the non-filing.
- (10) *Class 7b.* Real estate used primarily for commercial purposes, as defined in this Division, comprising a qualified commercial development project, as determined pursuant to Section 74-65(a), located in an "area in need of commercial development", where total development costs, exclusive of land, exceed \$2,000,000.00, consisting of all newly constructed buildings or other structures, including the land upon which they are situated; or abandoned property, as defined herein, 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. 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 purposes of Class 7b. 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 7b application.

In addition, the Ordinance or Resolution shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed

by the municipality or County Board, as the case may be.

Notwithstanding the foregoing, special circumstances may not be determined to justify finding that a property is deemed "abandoned" where:

- A. There has been a purchase for value and the buildings and other structures have not been vacant and unused prior to such purchase; or
- B. There has been no purchase for value and the buildings and other structures have been vacant and unused for less than 24 continuous months.

If a municipality enacts enabling legislation which a.) identifies, by permanent index numbers, specific retail corridors or geographies within the boundaries of such municipality that it deems to be distressed and in need of development b.) authorizes the submission of applications for a Class 7b incentive for properties within such retail corridors, and c.) designates the authorized officer of such municipality, then applicants for a Class 7b incentive located in such retail corridors may obtain and submit, in lieu of an Ordinance or Resolution, a letter from the authorized officer of the municipality approving the submission of the Class 7b incentive application and a certified copy of the municipal enabling legislation.

A copy of the authorized officer letter and a certified copy of the municipal enabling legislation shall be included with the Class 7b application and submitted to the Cook County Bureau of Economic Development for verification prior to filing of the application with the Assessor.

In addition, the letter from the authorized officer shall:

- 1. Describe the redevelopment objective of the municipality;
- 2. State the applicant's intended use of the property; and
- 3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

Following verification that the Class 7b application is in a retail corridor, as defined herein, and has been properly submitted with a letter from an authorized officer and a certified copy of the municipal enabling legislation, the Bureau of Economic Development will forward the application to the Assessor's Office for filing.

~~Such~~ The Resolution or Ordinance, or authorization letter and certified copy of the municipal enabling legislation (if applicable), must be filed with the eligibility 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 7b and a resolution to that effect shall be included with the Class 7b eligibility application filed with the Assessor.

- b. This classification shall continue for a period of 12 years from the date such new construction (excluding demolition, if any) or such substantial rehabilitation was completed and initially assessed, or in the case of abandoned property, from the date of substantial re-occupancy. This incentive classification will be subject to renewal. Upon termination, the real estate shall revert to the applicable classification under this Division.
- c. The Assessor shall provide by rule for the filing of triennial reassessment reports by all Class 7b recipients as to the use of the property and the number of persons employed at the Class 7b site. Such reports shall be verified. Failure to file such reports within the time established by the Assessor's rules shall result in loss of the incentive for the period relating to the non-filing.

- (11) *Class 7c or Commercial Urban Relief Eligibility ("CURE").* Real estate used primarily for commercial 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:
- (i) The property, site, or area is deemed a redevelopment priority by the municipality, and
  - (ii) The municipality or County Board, as the case may be, has determined that the incentive provided by Class 7c 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 7c application to the Assessor.

In addition, the Ordinance or Resolution shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

If a municipality enacts enabling legislation which a.) identifies, by permanent index numbers, specific retail corridors or geographies within the boundaries of such municipality that it deems to be distressed and in need of development; b.) authorizes the submission of applications for a Class 7c incentive for properties within such retail corridors, and c.) designates the authorized officer of the such municipality, then applicants for a Class 7c incentive located in such retail corridors may obtain and submit, in lieu of an Ordinance or Resolution, a letter from the authorized officer of the municipality approving the submission of the Class 7c incentive application and a certified copy of the municipal enabling legislation.

A copy of the authorized officer letter and a certified copy of the municipal enabling legislation shall be included with the Class 7c application and submitted to the Cook County Bureau of Economic Development for verification prior to filing of the application with the Assessor.

In addition, the letter from the authorized officer shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

Following verification that the Class 7c application is in a retail corridor, as defined herein, and has been properly submitted with a letter from an authorized officer and a certified copy of the municipal enabling legislation, the Bureau of Economic Development will forward the application to the Assessor's Office for filing.

In order to determine Class 7c applications, an application for Class 7c shall be submitted to the Assessor and the Bureau of Economic Development. Upon receipt of the application and all the necessary supporting data, the Economic Development Advisory Committee of the County, within 30 days return the application to the Assessor with a finding stating whether the conditions of Subsections (a)(1)-(a)(4) of this Section are present. The Assessor shall review the application, supporting data, findings of the Committee and other appropriate facts. Where the Assessor finds the conditions of Subsections (a)(1)-(a)(4) of this



Section exist, the Assessor shall, within 30 days of the receipt of the Committee's findings, certify the commercial development project eligible for Class 7c treatment under this Division.

Where the Economic Development Advisory Committee does not return a finding stating whether the conditions of Subsections (a)(1)-(a)(4) of this Section are present within 30 days, and upon further application of the requesting party, the Assessor may review the application, supporting data, and other appropriate facts and certify the commercial development project eligible for Class 7c treatment and grant the incentive.

- (1) That the Property's (the real estate that is subject of the Incentive application) Assessed Value, Equalized Assessed Value or Real estate taxes for three of the last six years, have declined or remained stagnant due to the depressed condition;
  - (2) There is a reasonable expectation that the development, re-development or rehabilitation of the commercial development project is viable and likely to go forward on a reasonably timely basis if granted Class 7c designation and will therefore result in the economic enhancement of the property;
  - (3) Certification of the commercial development project for Class 7c designation will materially assist development, redevelopment or rehabilitation of the property and the commercial development property would not go forward without the full incentive offered under Class 7c; and
  - (4) Certification of the commercial development project for Class 7c designation is reasonably expected to ultimately result in an increase in real property tax revenue and employment opportunities of the property.
- b. A certified copy of the Ordinance or Resolution, or authorization letter and certified copy of the municipal enabling legislation (if applicable), need not be filed at the time of filing the Class 7c 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 7c. If the Resolution is not filed at the time of the eligibility application, the applicant may 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.
  - c. A copy of the Resolution or letter confirming that a Resolution has been requested, 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.
  - d. Class 7c 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 7c incentive. With respect to abandoned property, the Class 7c application must be made to the Assessor prior to the commencement of the reoccupation of the vacant and unused property. For the purpose of this Incentive [Class 7c] "abandoned property" shall mean property where the buildings and other structures, or portions thereof, have been vacant and unused for more than 12 continuous months and as established by rule of the Assessor.
  - e. This classification shall continue for a period of three years from the date such new construction (excluding demolition, if any) such substantial rehabilitation was completed and initially assessed, or in the case of abandoned property, from the date of substantial occupancy.
  - f. Class 7c incentives that are granted are renewable.

The incentive shall be phased out after five years, pursuant to Section 74-64(8). After expiration of the last incentive period, the real estate shall revert to the applicable classification under this Division.
  - g. The Assessor may adopt rules consistent with this subsection necessary to ensure proper review of all factors relevant to determine eligibility and continued eligibility for the benefits provided under Class 7c.
  - h. Class 7c Applications must be received by the Assessor's Office on or before November 30, 2019, to receive consideration.

- i. Renewal. The Class 7c Incentive shall be limited to only one renewal. The applicant may apply for a renewal on or after the third year of the Incentive, but before the expiration of the fifth year of the Incentive. The applicant must obtain the municipal enabling Ordinance and present such municipal Ordinance to the Board of Commissioners of Cook County as to whether it will validate the renewal. The Incentive may be renewed unless otherwise limited herein.
- j. Effective Year. The Class 7c Incentive shall be effective for the tax year the application for the Incentive is filed. In addition, the Class 7c Incentive may be applied for only one year prior to the tax year in which the Incentive was applied via a certificate of error.

(12) *Class 8.* Real estate used primarily for industrial and commercial purposes, consisting of all newly constructed buildings or other structures, including the land upon which they are situated; or abandoned property, as defined in this division, 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.

a.

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. Such real estate must be either obtained through the Cook County Tax Reactivation Project or must be located in one of the following designated geographical areas:

1.

An area which has been certified as in need of substantial revitalization in accordance with the provisions of [Section 74-65](#)

[https://www.municode.com/library/il/cook\\_county/codes/code\\_of\\_ordinances?](https://www.municode.com/library/il/cook_county/codes/code_of_ordinances?)

(b);

2.

An enterprise community as proposed and approved by the County Board on June 22, 1994, or the Chicago City Council on May 18, 1994, and the municipality in which such real estate is located, or, if in an unincorporated area, the County must by lawful Resolution determine that such real estate is consistent with an overall plan for the rehabilitation of the area; or

3.

Any one of the following five townships: Bloom, Bremen, Calumet, Rich and Thornton.

b.

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 that the property is deemed "abandoned" for purpose of Class 8, 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 8 application. In addition, the Ordinance or Resolution where applicable shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed

by the municipality or County Board, as the case may be.

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 8, and a 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 8 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 8 need not be filed at the time of filing the Class 8 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 8. If the Resolution is not filed at the time of the Class 8 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 8 eligibility application with the Assessor and in lieu of an Ordinance or Resolution, an applicant may 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 8 application with the Assessor. Such authorized officer shall have been designated by the legislative body of the municipality or, in the case of an unincorporated area, by the Cook County Board.

A copy of the authorized officer letter and a certified copy of the legislative action designating the authorized officer shall be included with the Class 8 application and submitted to the Cook County Bureau of Economic Development for verification prior to filing of the application with the Assessor. The applicant must demonstrate that the industrial development project qualifies for the Class 8 classification.

In addition, the letter from the authorized officer shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

Following verification that the Class 8 application is in an Industrial Growth Zone and has been properly submitted with a letter from an authorized officer and a certified copy of the legislative action designating the authorized officer, the Bureau of Economic Development will forward the application to the Assessor's Office for filing.

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 that the property is deemed "abandoned" for purpose of Class 8 under the TEERM Program, if:

1. There has been no purchase for value and the buildings; and
2. 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 8 application under the TEERM

Program.

In addition, the Ordinance or Resolution shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

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 8, and a 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 8 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 8 need not be filed at the time of filing the Class 8 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 8. If the Resolution is not filed at the time of the Class 8 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 must be received by the Assessor's Office on or before November 30, 2018 to receive consideration.

- c. A copy of the Resolution or letter confirming that a Resolution has been requested, 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.
- d. An affidavit of the applicant attesting that all construction, demolition, maintenance or repair services at the subject property shall only be performed by a contractor or subcontractor who participates in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship, shall also be submitted with the application. The Assessor shall provide by rule for the filing of such affidavit and the filing of any subsequent supporting documents which establishes credible evidence that any construction, maintenance or repair service performed at the subject property will be done by a contractor or subcontractor who participates in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship. The failure to file such affidavit and supporting documents within the time established by the Assessor's rules shall result in the loss of the incentive for the period relating to the non-filing.
- e. This classification shall continue for a period of 12 years from the date of new construction (excluding demolition, if any) or substantial rehabilitation was completed and initially assessed, or in the case of abandoned property, from the date of substantial re-occupancy, or in the case of incentives granted pursuant to the TEERM Program, from the date of the notice of approval.
- f. Unless it was granted pursuant to the TEERM Program, this incentive may be renewed during the last year a property is entitled to a ten-percent assessment level pursuant to [Section 74-64](#) [https://www.municode.com/library/il/cook\\_county/codes/code\\_of\\_ordinances?](https://www.municode.com/library/il/cook_county/codes/code_of_ordinances?) (11), if the following requirements are met:

1.  
The taxpayer notifies the Assessor's Office of the taxpayer's intent to request renewal of the incentive from the municipality, or the County Board if the real estate is located in an unincorporated area;
  2.  
The municipality in which the real estate is located or the County Board, if the real estate is located in an unincorporated area, adopts a Resolution expressly stating that the municipality or County Board, as the case may be, has determined that the industrial or commercial use of the property is necessary and beneficial to the local economy, and supports and consents to renewal of the Class 8; and
  3.  
A copy of that Resolution and a completed renewal application are filed with the Assessor's Office before the expiration of the ten-percent assessment level period.
  4.  
Applicant shall submit an affidavit to the Assessor's Office attesting that, at all times after the applicant receives and maintains a Class 8 designation, if any construction, demolition, maintenance or repair service is performed at the subject property, then any contractors and any subcontractors who perform such service must participate in an active apprenticeship and training program approved and registered with the United States Department of Labor's Office of Apprenticeship, if the contractor or subcontractor employs people in a covered occupation.
- g.  
Class 8 incentives that are granted pursuant to the TEERM Program are not renewable. For all other Class 8 incentives, the number of renewal periods is not limited as long as the property continues to apply and meet the requirements for Class 8.
- h.  
A copy of the request for renewal of the incentive 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.
- i.  
If no renewal is obtained, the incentive shall be phased out over the next two years, pursuant to [\(Section 74-64 <https://www.municode.com/library/il/cook\\_county/codes/code\\_of\\_ordinances?nodeId=PTIGEUR\\_CH74TA\\_ARTIIREPRTA\\_DIV2CLSYAS\\_S74-64MAVAPE>\(11\)\)](https://www.municode.com/library/il/cook_county/codes/code_of_ordinances?nodeId=PTIGEUR_CH74TA_ARTIIREPRTA_DIV2CLSYAS_S74-64MAVAPE). After expiration of the last incentive period the real estate shall revert to the applicable classification under this Division.
- j.  
The Assessor may adopt rules consistent with this subsection necessary to ensure proper review of all factors relevant to determine eligibility for the benefits provided under Class 8.
- k.  
The certification of an area as in need of substantial revitalization shall expire five years from the date such certification is granted. The Assessor shall notify the applicant of the date of expiration of certification one year before the date of the expiration of the certification. Such certification, pursuant to the same criteria, may be extended for one additional five-year period subject to reapplication by the appropriate local governing body within the period from one year to six months prior to the expiration of the initial five-year period.
- l.  
The Assessor shall provide by rule for the filing of triennial reassessment reports by all Class 8 recipients as to the use of the property and the number of persons employed at the Class 8 site. 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 established by the Assessor's rules shall result in loss of the incentive for the period relating to the non-

filing.

m.

Taxpayers who currently receive a Class 8 incentive shall file with the Assessor's Office an affidavit as required under subsection (d) of this Section within 90 days of the enactment that will be applicable for all future construction, demolition, maintenance or repair services performed at the subject property as required under subsection (d) of this Section. Failure to provide the affidavit in a timely manner may result in the loss of the incentive for the period relating to the non-filing.

(13) *Class 9.* All real estate otherwise entitled to Class 3 classification under this division, provided that such real estate, consisting of land and existing buildings and structures is multifamily residential real estate; either has undergone major rehabilitation, or is new construction, or both; has at least 35 percent of the dwelling units leased at rents affordable to low- or moderate-income persons or households; and is in substantial compliance with all applicable local building, safety and health requirements and codes.

a. To qualify for the Class 9 classification, the applicant must:

1. File an eligibility application with the Assessor prior to commencement of rehabilitation and/or of new construction;
2. Either undertake and complete a major rehabilitation of the subject property, or undertake and complete construction of a new building;
3. Maintain the subject property, including any new construction, in substantial compliance with all local building, safety and health codes and requirements for the duration of the Class 9 classification period;
4. Lease, for the duration of the Class 9 classification period, at least 35 percent of the dwelling units of the subject property, including any new construction, to tenants at rents which will not exceed rents affordable to low- and moderate-income persons or households;
5. Agree to make a current listing of Class 9 tenants and their income available to the Assessor upon request;
6. Further agrees to annually provide the tenants with a list of the permissible Class 9 rents;
7. Agree to notify tenants of the upcoming Class 9 expiration at least one year prior to the termination of the incentive treatment; and
8. File annually with the Assessor, on or before a date determined by the Assessor, for the duration of the Class 9 classification period, a sworn statement verifying continuous compliance with the Class 9 provisions of this Division.

b. No applicant shall discriminate on the basis of race, color, sex, marital status, religion, national origin or ancestry, or on any other basis prohibited under Federal, State or local law.

c. Upon completion of the major rehabilitation, the applicant must supplement the application by submitting evidence showing that major rehabilitation did, in fact, occur, the date that the major rehabilitation was completed and that the real estate complies with all applicable local building, safety and health requirements and codes. Upon completion of the new construction, the applicant must supplement the application by submitting an occupancy permit showing the date that the new construction was completed and ready for occupancy, and evidence that the real estate complies with all applicable local building, safety and health requirements and codes.

d. Beginning January 1, 2000, the Class 9 classification shall have an initial duration of ten years from the date that the major rehabilitation was completed. That period may be extended for additional ten-year periods if:

1. An application is filed with the Assessor at least 12 months before the expiration of the incentive

period;

2. The applicant presents evidence that the real estate currently complies with all applicable local building, safety and health requirements and codes; and
3. The Assessor determines that all application qualifications, except the major rehabilitation or new construction requirement, were maintained during the incentive period.
- e. When the Class 9 classification is due to expire or is terminated by action of the owner or the Assessor, the property owner shall, in a manner and form determined by the Assessor, notify all Class 9 tenants of the date of the termination of Class 9 classification. Once the Class 9 classification is terminated, the real estate shall revert to the applicable classification under this Division.

(14) *Class S.* Real estate otherwise entitled to Class 3 classification under this division, consisting of land and existing buildings and structures, which is has been subject to a Section 8 contract renewal. The portion of the land and building eligible for the incentive shall be in such proportion as the number of Section 8 units bears to the total number of units. The proportion shall be applied only to property used for residential purposes, and not to portions of the property, if any, used for commercial purposes.

a. Property qualifies for the Class S classification if its Section 8 contract has been renewed pursuant to one of the following alternatives:

1. HUD has approved renewal of the Section 8 contract under the mark up to market option, after finding that:

- i. The property has received a physical inspection score of at least 60, in an inspection by HUD's Real Estate Assessment Center, confirming that the property is decent, safe, sanitary and in good repair with no uncorrected exigent health and safety (EHS) violations;
- ii. The property does not have a low- and moderate-income use restriction that cannot be eliminated by unilateral action by the owner. If, however, the current rent is lower than the use restriction, HUD may use the mark up to market option to increase the rents to the use restriction level, which would be a renewal qualifying for the S classification; and
- iii. A rent comparability study conducted by HUD has demonstrated that comparable market rents are above 100 percent of the HUD Fair Market Rent.

2. HUD has approved a contract renewal for five years of the Section 8 contract under the mark up to market under HUD's discretionary authority, after finding that the property meets at least one of the required criteria:

- i. A vulnerable population is affected,
- ii. 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
- iii. The project is a high priority for the local community, as demonstrated by a contribution of state or local funds to the property.

3. HUD has approved renewal of a Section 8 contract for a not for profit corporation under any available option under HUD's renewal procedures as described in HUD's Section 8 Renewal Policy Guidelines.

b. Additional requirements for qualification for the S classification are:

1. At least 20 percent of the living units must be Section 8 units for qualifying low- and moderate-income persons.
2. The owner must agree to retain at least the existing number of Section 8 units for at least five years after the expiration of the expiring or expired Section 8 contract.
3. For the duration of the Class S classification period, applicant must file annually with the Assessor, on or before a date determined by the Assessor, a sworn statement verifying continuous



compliance with the Class S provisions of this Division.

4. Applicant must agree to notify the Assessor's Office if the Section 8 contract is terminated prior to its expiration date. Applicant shall provide to the Assessor's office a copy of any notice of default or notice of abatement received from HUD.
- c. When the applicant applies to HUD for a contract renewal, no less than 120 days prior to the expiration of the contract, the applicant shall notify the Assessor's Office of the application, on a form provided by that office. Upon receiving approval of the contract renewal from HUD, the applicant shall file an application for the incentive with the Assessor's Office, on a form provided by that office. The application shall be supported by a copy of HUD's letter approving the contract renewal and a copy of the executed renewal contract.
- d. Any property which, as of November 23, 1999, has an existing Section 8 contract with a mark up to market option may apply for Class S classification for the any portion of the 2001 assessment year encompassed within the contract term, and for the remainder of the contract term, including any renewals approved with the mark up to market option. The classification shall continue until the expiration or termination of the Section 8 contract.

Any property which, as of (DATE AMENDMENT APPROVED), has an existing Section 8 contract renewal may apply for Class S classification for any portion of the 2006 assessment year encompassed within the contract term, and for the remainder of the contract term, including any renewals approved with the mark up to market option, mark up to market option under HUD's discretionary authority or a Section 8 contract that has been renewed 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. The classification shall continue until the expiration or termination of the Section 8 contract.

- e. The incentive may be renewed if the Section 8 contract is again renewed under any of the following three options: 1) the mark up to market option; 2) the mark up to market option under HUD's discretionary authority; or 3) 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. Upon filing an application with HUD, no less than 120 days prior to termination of the contract, for renewal of the Section 8 contract, the taxpayer shall provide notice to the Assessor's Office of its application for renewal. The taxpayer shall provide a copy to the Assessor's Office of HUD's approval of the contract renewal, or notification of other action.
  - f. The Assessor's Office shall adopt rules consistent with this subsection necessary to ensure proper review of all factors relevant to determine initial and continued eligibility for the benefits provided under Class S.
- (15) *Class L.* Real estate which is to be used for commercial or industrial purposes and which is designated as Class 3, Class 4, Class 5a or Class 5b pursuant to this Division; is a landmark or contributing building; and has undergone substantial rehabilitation. The substantial rehabilitation must constitute an investment by the owner of at least 50 percent of the building's full market value as determined by the Assessor in the assessment year prior to the commencement of the substantial rehabilitation.
- a. Generally, the incentive shall apply only to the building and will not apply to the land underneath the building. However, if the entire building has been vacant and unused for at least 24 continuous months prior to the filing of the eligibility application with the Assessor, the land upon which the building is situated shall also be eligible for the incentive.
  - b. Prior to filing a Class L eligibility application with the Assessor, an applicant must obtain an Ordinance or Resolution from the unit of local government in which the real estate is located, which expressly states that the local government:
    1. Has determined that the incentive provided by Class L is necessary for the substantial rehabilitation of the property;
    2. Supports and consents to the granting of the incentive; and
    3. Has reviewed and accepted its preservation commission's written recommendation of the project



for the Class L incentive. This recommendation will specify the project's budget and proposed scope of work and will specify that the project will meets or exceeds the Standards of the United States Department of the Interior for Rehabilitation, Preservation, Restoration, and Reconstruction of historic properties.

4. In addition, the Ordinance or Resolution shall:
  - i. Describe the redevelopment objective of the municipality;
  - ii. State the applicant's intended use of the property; and
  - iii. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.
- c. A certified copy of the Ordinance or Resolution need not be filed with the Assessor at the time the Class L eligibility application is filed but the Ordinance or Resolution must be filed with the Assessor no later than the date an assessment appeal is filed to request the class change to Class L.
- d. If the Ordinance or Resolution is not filed at the time of the eligibility application is filed, the applicant shall instead, include the following items with the eligibility application:
  1. 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; and
  2. A copy of the preservation commission's recommendation of the project.
- e. A copy of the Resolution or letter confirming that a Resolution has been requested, whichever is filed with the application, will be forwarded by the Assessor's Office to the Secretary of the Board for distribution to the members of the County Board from the affected districts.
- f. Additionally, to qualify a landmark building or contributing building for Class L classification, an eligibility application must be made to the Assessor within one year prior to the commencement of substantial rehabilitation. After the substantial rehabilitation has been completed, the preservation commission shall review the project to determine that it is eligible under Subsection (14) of this Section. The applicant must supplement the eligibility application with a copy of the determination of the preservation commission prior to classification of the real estate as Class L.
- g. The initial Class L classification shall continue for a period of 12 years from the date such substantial rehabilitation was completed and initially assessed.
- h. For property which was initially classified as Class 3, 4 or 5b, this incentive may be renewed during the last year a property is entitled to a 16-percent assessment level, if the following requirements are met:
  1. The taxpayer notifies the Assessor's Office of the taxpayer's intent to request renewal of the incentive from the municipality, or the County Board if the real estate is located in an unincorporated area;
  2. The municipality in which the real estate is located or the County Board, if the real estate is located in an unincorporated area, adopts a resolution expressly stating that the municipality or County Board, as the case may be, has determined that the industrial use of the property is necessary and beneficial to the local economy, and supports and consents to renewal of the Class L; and
  3. A copy of that Resolution and a completed renewal application are filed with the Office of the Assessor before the expiration of the incentive period.

The number of renewal periods is not limited as long as the property continues to apply and qualify for Class L. The notice of intent to request renewal which is filed with the Assessor's Office 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.
- i. If, as of November 23, 1999, a property is receiving Class L treatment, but the assessment level is higher

than 16 percent, that taxpayer may apply for renewal as outlined above and receive a 16-percent assessment level for the prescribed period beginning after the filing and approval of the Resolution and renewal application. However, if as of the effective date, the taxpayer's assessment is higher than 16 percent and the taxpayer is granted a renewal of the incentive for subsequent years, no reduction of the current assessment level based on renewal of the incentive will be granted. If no renewal is obtained, the incentive shall be phased out over the next two years, pursuant to Section 74-64. After expiration of the last incentive period, the real estate shall revert to the applicable classification under this Division.

- j. For commercial properties, once the original 12-year incentive period has expired, the commercial Class L incentive will expire. The incentive classification will ~~not~~ be subject to renewal subject to subsection (h) and the real estate shall revert to the applicable classification under this Division.
- k. The Assessor shall adopt rules consistent with the foregoing necessary to ensure proper review of all factors relevant to determine initial and continued eligibility for the benefits provided under Class L.
- l. The Assessor shall provide by rule for the filing of triennial reassessment reports by all Class L recipients as to the continued landmark status of the property and the number of persons employed at the Class L site. Failure to file such reports within the time established by the Assessor's rules may result in loss of the incentive for the period relating to the non-filing.
- m. The Assessor shall provide the Chairman of the Business and Economic Development Committee of the Cook County Board, annually on or before December 1, a report of each Class L that was designated in the prior year. Such report shall consist of the address of the Class L designated property, the date such designation was granted, the amount of property taxes that were not assessed each year during which the Class L incentive was in effect for such property, and if provided by the applicant, the aggregate amount of the investment in the project and the number of jobs generated in connection with such project.

#### **Sec. 74-64. Market value percentages.**

The Assessor shall assess, and the Board of Review shall review, assessments on real estate in the various classes at the following percentages of market value:

- (1) Class 1: Ten percent.
- (2) Class 2: Ten percent.
- (3) Class 3: Sixteen percent in tax year 2009, 13 percent in tax year 2010, ten percent in tax year 2011, and subsequent years.
- (4) Class 4: Twenty-five percent.
- (5) Class 5a: Twenty-five percent.
- (6) Class 5b: Twenty-five percent.
- (7) Class 6b: Ten percent for first ten years and for any subsequent ten-year renewal periods; if the incentive is not renewed, 15 percent in year 11 and 20 percent in year 12.
- (8) Class C: Industrial properties: Ten percent for first ten years, 15 percent in year 11 and 20 percent in year 12; commercial properties: ten percent for first ten years, 15 percent in year 11 and 20 percent in year 12.
- (9) Class 7a: Ten percent for first ten years, 15 percent in year 11 and 20 percent in year 12.
- (10) Class 7b: Ten percent for first ten years, 15 percent in year 11 and 20 percent in year 12.
- (11) Class 7c: Ten percent for first three years, 15 percent in year four and 20 percent in year five.
- (12) Class 8: Ten percent for first ten years and for any subsequent ten-year renewal periods; if the incentive is not renewed, 15 percent in year 11 and 20 percent in year 12.
- (13) Class 9: Ten percent for an initial ten-year period, renewable upon application for additional ten-year

periods.

- (14) Class S: Ten percent for the term of the Section 8 contract renewal under the mark up to market option, as defined herein, and for any additional terms of renewal of the Section 8 contract under the mark up to market option.
- (15) Class L, renewable properties: Ten percent for first ten years and for any subsequent ten-year renewal periods; if the incentive is not renewed, 15 percent in year 11 and 20 percent in year 12; commercial properties: Ten percent for first ten years, 15 percent in year 11 and 20 percent in year 12.

**Sec. 74-65. - Qualifications for commercial development project status.**

- (a) To qualify as a commercial development project under Class 7a or 7b, it is necessary that the project be located in an area in need of commercial development in that:
  - (1) The area is ~~or has been within the last ten years,~~ currently, designated by Federal, State or local agency as a conservation, blighted or renewal area or an area encompassing a rehabilitation or redevelopment plan or project adopted under the Illinois Urban Renewal Consolidation Act of 1961, as amended, or the Commercial Renewal Re-development Areas Act of 1967, as amended, or that the area is located in a Federal Empowerment Zone or Enterprise Community, as proposed and approved by the County Board on June 22, 1994, or the Chicago City Council on May 18, 1994, or the Commercial District Development Commission Ordinance of the City of Chicago or designation of like effect adopted under any similar statute or Ordinance;
  - (2) Real estate taxes within the area, during the last six years, have declined, remained stagnant or potential real estate taxes are not being fully realized due to the depressed condition of the area, and/or subject site, or property values as determined by the assessed value (AV) or equalized assessed value (EAV) for the redevelopment area or specific subject site have declined over the last six (6) years, or property values as determined by the AV or EAV are increasing at a rate that is less than the balance of the municipality's AV or EAV for the last six (6) years; or property values as determined by the AV or EAV for the redevelopment area/site are increasing at a rate that is less than Consumer Price Index (CPI) for All Urban Consumers as published by the US Department of Labor for last six (6) years;
  - (3) There is a reasonable expectation that the development, re-development or rehabilitation of the commercial development project is viable and likely to go forward on a reasonably timely basis if granted Class 7a or 7b designation and will therefore result in the economic enhancement of the area;
  - (4) Certification of the commercial development project for Class 7a or 7b designation will materially assist development, redevelopment or rehabilitation of the area and the commercial development project would not go forward without the full incentive offered under Class 7a or 7b; and
  - (5) Certification of the commercial development project for Class 7a or 7b designation is reasonably expected to ultimately result in an increase in real property tax revenue and employment opportunities within the area.
- (b) Prior to filing a Class 7a or 7b eligibility application with the Assessor, 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 a Resolution expressly stating that the municipality or County Board, as the case may be, has determined that the conditions of Subsections (a)(1)-(a)(5) of this Section are present and that the municipality or County Board, as the case may be, supports and consents to the Class 7a or 7b application to the Assessor.

In addition, the Ordinance or Resolution shall:

- 1. Describe the redevelopment objective of the municipality;

2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

If a municipality enacts enabling legislation which identifies specific retail corridors or geographies within the boundaries of such municipality that it deems to be distressed and in need of development and which authorizes the submission of applications for Class 7a and 7b incentives for properties within such retail corridors, applicants for Class 7a and Class 7b incentives located in such retail corridors may obtain and submit to the Assessor, in lieu of an Ordinance or Resolution, a letter from an authorized officer of such municipality approving the submission of the Class 7a or 7b incentive application and a certified copy of the municipal enabling legislation.

A copy of the authorized officer letter and a certified copy of the municipal enabling legislation shall be included with the Class 7a or Class 7b application and submitted to the Cook County Bureau of Economic Development for verification prior to filing of the application with the Assessor.

In addition, the letter from the authorized officer shall:

1. Describe the redevelopment objective of the municipality;
2. State the applicant's intended use of the property; and
3. State that an Economic Disclosure Statement, as defined in this Division, was received and filed by the municipality or County Board, as the case may be.

Following verification that the Class 7a or Class 7b application is in a retail corridor, as defined herein, and has been properly submitted with a letter from an authorized officer and a certified copy of the municipal enabling legislation, the Bureau of Economic Development will forward the application to the Assessor's Office for filing.

A certified copy of such Ordinance or Resolution or authorization letter and certified copy of the municipal enabling legislation (if applicable) shall be included with the Class 7a or 7b application at the time of filing the application with the Assessor. A copy of the Ordinance or Resolution, whichever is submitted, will be forwarded by the Assessor's Office to the Secretary of the Board for distribution to the members of the County Board from the affected districts. The application shall include any other information deemed necessary by the Assessor. The applicant must demonstrate that the commercial development project qualifies for the Class 7a or 7b classification and shall bear the expense of doing so.

- (c) Inasmuch as the County desires to encourage economic development in the neighborhoods of the County, support the increased use of the incentive by smaller projects and to limit the expense of such applications, the Assessor shall liberally construe the requirements of Subsections (a)(1)-(a)(5) of this Section for Class 7a applications.
- (d) The Assessor shall adopt rules, including a provision to ensure a proper review of the application and supporting data.
- (e) Certification of a commercial development project shall not be denied by reason of insufficient size if it otherwise qualifies hereunder. In determining what constitutes the "full incentive offered" as provided in Subsection (a)(4) of this Section, consideration may be given to any lawful intergovernmental participation agreements under which the project developer has agreed, as a precondition to Class 7a or 7b certification, to share a portion of future profits with the appropriate taxing districts.
- (f) For Class 7a applications, where the Assessor finds that the conditions of Subsections (a)(1)-(a)(5) of this Section exist, the Assessor shall, within 60 days after receipt of the application and necessary supporting data, certify the commercial development project eligible for Class 7a treatment under this Division.
- (g) In order to determine Class 7b applications, upon receipt of the application and all the necessary supporting data,

- the Assessor shall forward it to the Economic Development Advisory Committee of the County. The Committee shall within 30 days return the application to the Assessor with a finding stating whether the conditions of Subsections (a)(1)-(a)(5) of this Section are present. The Assessor shall review the application, supporting data, findings of the Committee and other appropriate facts. Where the Assessor finds the conditions of Subsections (a)(1)-(a)(5) of this Section exist, the Assessor shall, within 30 days of the receipt of the Committee's findings, certify the commercial development project eligible for Class 7b treatment under this Division.
- (h) Class 7a and 7b certifications shall lapse within one year from the date of issuance unless new construction or substantial rehabilitation, or in the case of abandoned property, reoccupation of the commercial development project has commenced prior to its expiration.
- (i) To be certified as an area in need of substantial revitalization for purposes of Class 8 classification it is necessary that:
- (1) The municipality in which the area is located or, if an unincorporated area, the County determine by lawful Resolution that the area is in a state of economic depression and that it is not economically feasible for private enterprise to accomplish the necessary modernization, rehabilitation, and development of the area without public assistance and encouragement, or a determination of similar import;
  - (2) The municipality or, if in an unincorporated area, the County apply to the Assessor for certification of the area as one in need of substantial revitalization;
  - (3) Upon receiving an application to certify an area as in need of substantial revitalization, the Assessor shall review the application, supporting data and other appropriate factors relevant to a determination of the severity of the economic conditions of the area. In determining whether the "in need of substantial revitalization" requirement is met, the Assessor shall give strong consideration and substantial weight to the fact that an area is located in a Federal empowerment zone or enterprise community, as proposed and approved by the County Board on June 22, 1994, or the Chicago City Council on May 18, 1994.
- (j) Upon finding that existing factors convincingly demonstrate that the area is in need of substantial revitalization, as defined in this Division, the Assessor shall grant such certification to the area. In making this determination statistical data relevant to the surrounding area as well as the specific area for which certification is sought may be considered. The surrounding area for the City of Chicago shall be the community area as defined in this Division; for all other areas in the County it shall be, where applicable, the municipality in which the area is located.
- (k) If a municipality within an Enterprise Community, as proposed and approved by the County Board on June 22, 1994, or the Chicago City Council on May 18, 1994, determines by municipal Resolution that the area is in a state of economic depression and that it is not economically feasible for private enterprise to accomplish the necessary modernization, rehabilitation, and development of the area without public assistance and encouragement, or a determination of similar import and submits a request for Class 8 certification, such certification shall be automatic pursuant to this Division. However, each property eligible for a Class 8 incentive within the certified area must file an application in a timely manner.
- The Assessor shall provide the Chairman of the Business and Economic Development Committee of the Cook County Board, annually on or before December 1, a report of each Class 8 area that was designated in the prior year.
- (l) Any Class 6a incentive that is still active can be renewed. The Class 6a incentive is defined in this Division. The renewal procedures described in Section 74-63 apply to Class 6a as well.

## **Sec. 74-66. Property in two or more classes.**

Where a single parcel of real estate is partially included in two or more of the above-described classes, each portion shall be assessed at the assessment level herein prescribed for that class.

**Sec. 74-67. - Assessor's status and progress report and GASB reporting.**

A written report on the status and progress of the implementation of this Division, or any amendments thereto, and all rules promulgated by the Assessor hereunder, shall be submitted by the County Assessor to the President and County Board annually on or before December 1.

The Assessor shall provide property tax incentive information to the County Comptroller as required by the Governmental Accounting Standards Board (GASB), and as specifically requested by the Comptroller on or before December 1<sup>st</sup> of each year for the fiscal year ending the prior November 30<sup>th</sup>. The Assessor shall provide such information as requested on or before January 15<sup>th</sup> of each year for the fiscal year ending the prior November 30, for inclusion in the County's annual independent audit.

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

- (a) The incentive provisions of this Division provided to qualifying parcels of real estate for Class 6b, Class C, Class 7a, Class 7b and Class 8 shall expire on December 31, 2015, unless otherwise reviewed by action of the County. Real estate granted a Class 6, Class 6a, Class 6b, Class 7 or Class 8 classification on or before April 15, 2017 ~~December 31, 1994~~, shall retain such classification under the terms and conditions of this Division prior to April 16, 2017 ~~January 1, 1995~~. Real estate for which an application for Class 6a, Class 6b, Class 7 or Class 8 classification is filed with the Assessor on or before April 15, 2017 ~~December 31, 1994~~, and which thereafter is determined by the Assessor to be eligible for the classification under the terms and conditions of this Division after April 16, 2017 ~~January 1, 1995~~, shall be entitled to receive such classification under such terms and conditions.
- (b) Real estate granted a Class 6b, Class 6c, Class 7a, Class 7b or Class 8 classification on or before December 31, 1999, shall retain such classification under the terms and conditions of this Division prior to January 1, 2000. Real estate for which an application for Class 6b, Class 6c, Class 7a, Class 7b or Class 8 classification is filed with the Assessor on or before December 31, 1999, and which thereafter is determined by the Assessor to be eligible for classification under the terms and conditions of this Division existing prior to January 1, 2000, shall be entitled to receive such classification under such terms and conditions.
- (c) Real Estate granted a Class 6b, Class 7a, Class 7b or Class 8 classification on or before December 31, 2004, shall retain such classification under the terms and conditions of the Ordinance prior to January 1, 2005. Real estate for which an application for Class 6b, Class 7a, Class 7b or Class 8 classification is filed with the Assessor on or before December 31, 2004, and which thereafter is determined by the Assessor to be eligible for classification under the terms and conditions of this Ordinance existing prior to January 1, 2005, shall be entitled to receive such classification under such terms and conditions.

**Sec. 74-69. - Applicable assessment level.**

The assessment level applicable to real estate classified under incentive Classes 6b, C, 7a, 7b, 7c, 8, 9 and L shall in no event exceed the assessment level which otherwise would have been applicable to such real estate under the remaining assessment classes provided in this Division.

**Sec. 74-70. - Class 8a and 8b designation/assessment class.**

- (a) Class 8a. Real estate that is used primarily for industrial or commercial purposes, which real estate would qualify for a Class 8 designation pursuant to Sections 74-62 through 74-64, except for the fact that the qualifying use of the property prior to application for the incentive does not comply with the definition of abandoned property provided for in Section 74-62(b), can receive a designation as a Class 8a property so long as the applicant can show that it has complied with all of the requirements necessary to receive a Class 8 designation per Sections 74-62 through 74-64, except for meeting the definition of abandonment provided for in Section 74-62(b), but only when the Cook County Board of Commissioners provides a Resolution or Ordinance in support of such designation absent abandonment.
- (1) The Cook County Board of Commissioners may only provide such a Resolution or Ordinance in support of Class 8a designation absent abandonment when:

- a. An applicant who collects or transmits sales tax has obtained from the municipality in which the real estate is located or the Cook County Board of Commissioners, if the real estate is located in an unincorporated area, an agreement to abate a portion of the local government's sales tax generated by the industrial or commercial enterprise located on such real estate and such abatement of sales tax must cover the period of time for which the applicant would qualify for this Class 8a incentive; and
- b. Applicant can demonstrate to the satisfaction of the Cook County Board of Commissioners that due to national and regional economic conditions beyond its control the industrial or commercial enterprise has undergone a significant reduction in net operating income of at least 40 percent in the year it makes application for this incentive as compared to the average net operating income of the industrial or commercial enterprise in the prior three years; and
- c. Applicant provides objective and credible evidence including, but not limited to, an economic impact study that demonstrates to the satisfaction of the Cook County Board of Commissioners that the ongoing industrial or commercial enterprise is not economically viable and as such it will cease operations within 60 days of the submission of an eligibility application for Class 8a designation to the Cook County Assessor, and thereafter the property will become vacant and unused for an extended period of time of at least 24 months; and
- d. Applicant provides objective and credible evidence including, but not limited to, an economic impact study that demonstrates to the satisfaction of the Cook County Board of Commissioners that designation as a Class 8a property will allow the industrial or commercial enterprise to be economically viable and thereby continue its operations so that the industrial or commercial enterprise can continue to occupy and fully utilize the real estate for an extended period of time.

(2) Such a Resolution or Ordinance must contain:

- a. A finding that the Cook County Board of Commissioners has determined that industrial or commercial enterprise has undergone a significant reduction in net operating income of at least 40 percent in the year it makes application for the incentive as compared to the average net operating income of the industrial or commercial enterprise in the prior three years; and
- b. A finding that the Cook County Board of Commissioners has determined that Class 8a designation of the property is necessary for the ongoing industrial or commercial enterprise to continue its operations and that without such designation the industrial or commercial enterprise would not be economically viable causing the property to become vacant and unused; and
- c. A statement by the Cook County Board of Commissioners that it supports and consents to the designation of the property as a Class 8a property absent an abandonment requirement; and
- d. A statement by the Cook County Board of Commissioners that it supports and consents to the application made to the Cook County Assessor requesting designation as a Class 8a property absent an abandonment requirement.

(3) When the real estate is located in an incorporated area of the county, and designation as a Class 8a property is sought using the provisions of this Section, the municipality in which the real estate is located must provide to the Cook County Assessor a Resolution or Ordinance that contains the following:

- a. A finding by the municipality that it has determined that Class 8a designation of the property is necessary for the ongoing industrial or commercial enterprise to continue its operations and that without such designation the industrial or commercial enterprise would not be economically viable causing the property to become vacant and unused; and
- b. A statement by the municipality that it supports and consents to the action by the Cook County Board of Commissioners to support designation of the property as a Class 8a property; and
- c. A statement by the municipality that it supports and consents to the Class 8a application to the Cook County Assessor; and

(4) Real estate receiving a Class 8a designation pursuant to the provisions of this Section shall be assessed at the

lowest percentage of market value provided for in Section 74-64(12), however the term of the incentive will be limited to five years only and such Class 8a designation shall not be renewed:

- a. After the initial application has been approved and granted, if the subject real estate receiving the Class 8a designation pursuant to the provisions of this Section is sold or the applicant transfers ownership of any portion of the property at any time prior to the five-year term of the 8a classification, then the property's Class 8a classification shall be subject to an eligibility review by the Cook County Board of Commissioners, the municipality, and the Assessor under the procedures set forth in this Ordinance for the remainder of the five-year term.
- (5) In order for real estate to qualify for a Class 8a designation an eligibility application must be made to the Cook County Assessor.
  - (6) Class 8a designation cannot be applied to real estate unless the following has occurred: application is made to the Cook County Assessor; all required municipal and county Ordinances and Resolutions are provided to the Cook County Assessor; and the Cook County Assessor determines that the real estate which is the subject of the application for a Class 8a designation would qualify for designation as a Class 8 property but for the inability to comply with the definition of abandonment pursuant to Section 74-62(b).
  - (7) The Cook County Assessor may adopt rules consistent with this Section to determine eligibility for the benefits provided under Class 8a.
  - (8) Upon receipt of an eligibility application for a Class 8a designation, the Cook County Assessor shall forward such application and any supporting documentation provided with such application to the Cook County Board of Commissioners or its designee for consideration as to whether the County Board will provide a Resolution or Ordinance in support of a Class 8a designation absent abandonment.
  - (9) Real estate receiving a Class 8a designation pursuant to the provisions of this Section shall not be eligible for a Class 8a designation for any year prior to the assessment year for which an application for the designation is made to the Cook County Assessor.
  - (10) The Cook County Board of Commissioners or its designee may adopt rules consistent with this Section that may be needed to ensure proper review of information, data and documents submitted in support of a request to the County Board for a Resolution or Ordinance in support of a Class 8a designation as provided for in this Section.
  - (11) Applicants for a Class 8a designation of property can only make such an application for the following assessment years 2008, 2009, 2010, 2011, 2012, 2013 and the Cook County Assessor shall not designate any real estate as Class 8a property for assessment year 2018 or thereafter.
  - (12) Real estate that receives a designation as a Class 8a incentive property will lose such designation and the corresponding reduced level of assessment, if the industrial or commercial enterprise located on the property ceases operations and the subject real estate becomes vacant and unused.
  - (13) Real estate that receives a designation as a Class 8a incentive property will lose such designation and the corresponding reduced level of assessment upon termination of the required partial sales tax abatement by local government.
  - (14) This Section 74-70 of the Real Estate Classification Ordinance will become effective upon passage.
- (b) Class 8b. Real estate and improvements that house inpatient and outpatient hospital based services, where the property has been acquired for hospital use by a for-profit acquirer unrelated to the not-for-profit disposer, thereby avoiding Illinois Health Facilities and Services Review Board discontinuation approval, shall be considered for a Class 8b designation if it meets the requirements of this Section and the Cook County Board of Commissioners provides a Resolution or Ordinance in support of such designation.
    - (1) The Cook County Board of Commissioners may only provide such a Resolution or Ordinance in support of Class 8b designation when:
      - a. The applicant is a hospital, as defined in the Hospital Licensing Act, or an entity that owns the real property on which a hospital is located, the hospital is licensed by the state, and the abandonment of the



hospital would require the applicant, or the hospital on behalf of which the applicant owns the real property on which the hospital is located, to obtain a permit or exemption from the State of Illinois Health Facilities and Services Review Board pursuant to the Illinois Health Facilities Planning Act prior to discontinuing hospital operations and to obtain a second permit or exemption prior to reopening or otherwise reestablishing the hospital after abandonment;

- b. The applicant demonstrated to the satisfaction of the Cook County Assessor that approval of the Class 8b designation will materially increase the likelihood that the property will be retained for hospital use with the associated employment benefits relative to industrial or commercial use of the property;
- c. The subject hospital is located in a zip code which has a ten-percent or greater incidence of families and/or individuals below the poverty level, as identified by the U.S. Census Bureau's most recent census; and
- d. The subject hospital employs at least 750 full-time equivalents (full-time equivalent jobs being defined as total hours worked by all non-full-time employees divided by average annual hours worked by the full-time employees).

(2) Such a Resolution or Ordinance must contain:

- a. A finding that the Cook County Board of Commissioners has determined that the applicant demonstrated to the satisfaction of the Cook County Assessor that approval of the Class 8b designation will materially increase the likelihood that the property will be retained for hospital use; and
- b. A statement by the Cook County Board of Commissioners that it supports and consents to the designation of the property as a Class 8b property.

(3) When the real estate is located in an incorporated area of the county, and designation as a Class 8b property is sought using the provisions of this Section, the municipality in which the real estate is located must provide to the Cook County Assessor a resolution or ordinance that contains the following:

- a. A finding by the corporate authorities of the municipality that the proposed redevelopment contemplated for the subject hospital or the property on which the hospital sits is necessary and appropriate and that, without a classification having the impact of this Section, the special circumstances that exist on the property on which the subject hospital sits including, but not limited to, the unique requirement that mandates that the subject hospital's operations are continually maintained without interruption in order for the State of Illinois Health Facilities and Services Review Board to issue a certificate of need and licensure approval for the continued operation of the subject hospital and the extraordinary need for the continued operation of the subject hospital within the applicable region, will not be addressed and the property on which the subject hospital sits will become vacant and underutilized and cause the continued exasperation of blighted factors within the municipality and region;
- b. A finding by the corporate authorities of the municipality that a classification having the impact of this Section is necessary for the redevelopment to occur on the property on which the subject hospital sits; and
- c. A statement by the corporate authorities of the municipality supporting and consenting to the filing of an application for a classification having the impact of this Section for the property on which the subject hospital sits.

(4) Real estate receiving a Class 8b designation pursuant to the provisions of this Section shall be assessed at the lowest percentage of market value and for the term provided for in Section 74-64(12).

(5) In order for real estate to qualify for a Class 8b designation, a Class 8 or Class 8b application must be made or have been made to the Cook County Assessor. Any application for Class 8 submitted with required municipal approval after July 1, 2008, for hospital property where the property was acquired for hospital use by an unrelated for-profit acquirer, avoiding the Health Facilities and Services Review Board discontinuation approval, shall be reconsidered as an application pursuant to this Section upon supplement of such Class 8 application with the additional information required in this Section, if any. Upon receipt of an application, the Cook County Assessor shall forward such application and any supporting documentation provided with the application to the Cook County Board of Commissioners for consideration as to whether the Cook County

Board will provide a resolution or ordinance in support of a Class 8b designation. Real estate receiving a Class 8b designation pursuant to the provisions of this Section shall be eligible for such designation beginning in the assessment year during which an application for the classification having the impact of this Section is made to the Cook County Assessor.

- (6) Class 8b designation cannot be applied to real estate unless the following has occurred: application is made or has been made to the Cook County Assessor, and all required municipal and county Ordinances and Resolutions are provided to the Cook County Assessor.

**Sec. 74-71. - Definition: Laws regulating the payment of wages.**

Property tax incentive. For the purpose of applicability of the Living Wage pursuant to Section 34-160 of the County's Code, and the Laws Regulating the Payment of Wages, pursuant to Section 74-74, "property tax incentive" means a reduction in the assessment level as set forth in Chapter 74, Article II, Division 2 of this Code for Class 6b industrial property, Class 8 industrial property, or Class 9 multifamily residential property. For the purpose of this Article, "property tax incentive" shall not include a Class 9 designation granted to supportive living facilities, which establish an alternative to nursing home care for low income older persons and persons with disabilities under Medicaid and which are certified by the State Department of Public Aid pursuant to Chapter 74, Article II, Division 2 of this Code; the County Real Property Assessment Classification Ordinance. Sales tax means the Retailer's Occupation Tax, the Service Occupation Tax and/or the Use Tax.

**Sec. 74-72. -- (a) Living wage requirement.**

- (1) Unless expressly waived by the County Board, any Employer occupying a property that receives a property tax incentive for Class 6b industrial property, Class 8 industrial property, or Class 9 multifamily residential property shall pay not less than the Living Wage, as defined in the Cook County Procurement Code (Cook County, Ill., Code, Ch. 34, Art. IV, Div. 1 § 34-121), shall be paid to each of its onsite Employees, unless such Employees' Wages are governed by Federal or State prevailing wage law. of any Employer that receives a property tax incentive On and after July 1, 2020, the owner of any property that receives a property tax incentive shall notify all Employers who occupy such property as lessees of the requirements of this Section. Upon commencement of a lease, on or after July 1, 2020, of a property that receives a property tax incentive, any new lessee shall be required to submit to the municipality or the Cook County Board, as the case may be, an affidavit stating that such lessee is paying a Living Wage to its Employees in compliance with this Section. Notwithstanding anything herein to the contrary, the requirements of this Section shall not apply to an Employer who was a lessee and not an owner-occupant of a property that receives a property tax incentive prior to July 1, 2020.
- (2) This Section shall not apply to Employers that are not-for-profit organizations or funded by Federal grants or Federal loans or Employers who are lessees but are not owners of a property that receives a property tax incentive prior to adoption of this amended Ordinance. Further, this Section shall not apply to Employers who can demonstrate to the County Board that compliance with the requirements of this Section would cause such Employer to be in violation of the terms of a collective bargaining agreement between the Employer and a labor union. Each Employer receiving a property tax incentive shall comply with all the requirements and procedures set forth in the County Code Chapter 34 with regard to such Living Wage, including notification of Employees and all other requirements.
- (3) If an Employer is found to be in violation of this section, such Employer may be required to pay back pay to each affected Employee, and may also be fined by the County up to \$100.00 for each affected Employee for each day paid at less than the Living Wage. Such penalties will not be imposed on any Person except after a hearing (Cook County, Ill., Code, Ch. 2 <[https://www.municode.com/library/il/cook\\_county/codes/code\\_of\\_ordinances?nodeId=PTIGOR\\_CH2AD](https://www.municode.com/library/il/cook_county/codes/code_of_ordinances?nodeId=PTIGOR_CH2AD)>, Art. IX). Further, if an Employer is found to be in violation of this section, the property tax incentive for this property is subject to revocation.
- (4) If an Employer is found to have retaliated against an affected Employee, the Employer's property tax incentive may be terminated unless such Employer appropriately reinstates or compensates such Employee.

(5) For the purposes of this Section:

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

Sales tax means the Retailer's Occupation Tax, the Service Occupation Tax and/or the Use Tax.

(6) Living Wage Affidavit

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

**(b) State or Federal Laws.**

- (a1) Except where a Person has requested an exception from the Assessor and the County Board expressly finds that granting the exception is in the best interest of the County, such Person including any Substantial Owner (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367 ~~Part I, Chapter 34, Article V, Section 34-367 of the Cook County Code~~) shall be ineligible to receive any property tax incentive noted in Division 2 of this Article if, during the five-year period prior to the date of the application, such Person or Substantial Owner (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367 ~~Part I, Chapter 34, Article V, Section 34-367 of the Cook County Code~~) admitted guilt or liability or has been adjudicated guilty or liable in any judicial or administrative proceeding of committing a repeated or willful violation of the Illinois Wage Payment and Collection Act, 820 ILCS 115/1 et seq., the Illinois Minimum Wage Act, 820 ILCS 105/1 et seq., the Illinois Worker Adjustment and Retraining Notification Act, 820 ILCS 65/1 et seq., the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 et seq., the Employee Classification Act, 820 ILCS 185/1 et seq., the Fair Labor Standards Act of 1938, 29 U.S.C. 201, et seq., or any comparable state statute or regulation of any state, which governs the payment of wages.
- (b2) The Assessor shall obtain an affidavit or certification from every Person and Substantial Owner (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367 ~~Part I, Chapter 34, Article V, Section 34-367 of the Cook County Code~~) who seeks a property tax incentive from the County as noted in Division 2 of this Article certifying that the Person or Substantial Owner (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367 ~~Part I, Chapter 34, Article V, Section 34-367 of the Cook County Code~~) has not violated the statutory provisions identified in Subsection (a) of this Section.
- (e3) If the County or Assessor becomes aware that a Person or Substantial Owner (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367 ~~Part I, Chapter 34, Article V, Section 34-367 of the Cook County Code~~) has admitted guilt or liability or has been adjudicated guilty or liable in any judicial or administrative proceeding of committing a repeated or willful violation of the Illinois Wage Payment and Collection Act, 820 ILCS 115/1 et seq., the Illinois Minimum Wage Act, 820 ILCS 105/1 et seq., the Illinois Worker Adjustment and Retraining Notification Act, 820 ILCS 65/1 et seq., the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 et seq., the Employee Classification Act, 820 ILCS 185/1 et seq., the Fair Labor Standards Act of 1938, 29 U.S.C. 201, et seq., or any comparable state statute or regulation of any state, which governs the payment of wages during the five-year period prior to the date of the application, but after the County has reclassified the Person's or Substantial Owner's (as defined in Cook County, Ill., Code, Ch. 34, Art. V § 34-367 ~~Part I, Chapter 34, Article V, Section 34-367 of the Cook~~

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

**Secs. 74-752. - Compliance with Laws.**

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

- (1) The Cook County Workforce Resource Ordinance (Cook County, Ill., Code, Ch. 2, Art. XIV) as applicable;
- (2) The Cook County Wage Theft Ordinance (Cook County, Ill., Code, Ch. 34, Art. IV, Div. 4 § 34-179);
- (3) The Cook County Human Rights Ordinance (Cook County, Ill., Code, Ch. 42, Art. II);
- (4) The Illinois Human Rights Act (775 ILCS 5/2-105);
- (5) Title VII and Title IX of the Civil Rights Act (42 USC § 2000e, et seq.);
- (6) The Age Discrimination in Employment Act (29 USC §§ 621-634); and
- (7) The Americans with Disabilities Act (42 USC §§ 12101-12213).

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

**Sec. 74-743. - Revocation or cancellation of incentive classification.**

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

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

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

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

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

In case of revocation or cancellation, the Incentive Classification shall be deemed null and void for the tax year in which the incentive was revoked or cancelled as to the subject property. In such an instance, the taxpayer shall be liable for and shall reimburse to the County Collector an amount equal to the difference in the amount of taxes that would have been collected had the subject property been assessed as a Class 5 property and the amount of taxes collected under the Incentive Classification as determined by the Assessor.

**Sec. 74-74 - ~~Laws regulating the payment of wages and Employer Paid Sick Leave.~~**

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

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

(c) If the County or Assessor becomes aware that a Person or Substantial Owner (as defined in Part I, Chapter 34,

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

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

**Effective date:** This ordinance amendment shall be in effect as of May 1, 2017.