



# Board of Commissioners of Cook County

118 North Clark Street  
Chicago, IL

## Legislation Details

---

<b>File #:</b>	22-5345	<b>Version:</b>	1	<b>Name:</b>	AN AMENDMENT TO CHAPTER 74, ARTICLE II, REAL PROPERTY TAXATION
<b>Type:</b>	Ordinance Amendment	<b>Status:</b>			Approved
<b>File created:</b>	9/9/2022	<b>In control:</b>			Business and Economic Development Committee
<b>On agenda:</b>	9/22/2022	<b>Final action:</b>			10/20/2022
<b>Title:</b>	PROPOSED ORDINANCE AMENDMENT				

### AN AMENDMENT TO CHAPTER 74, ARTICLE II, REAL PROPERTY TAXATION

WHEREAS, the Cook County Property Tax Incentive program is one of the most effective tools to attract and retain businesses in Cook County; and

WHEREAS, the program is particularly important in areas that have economic stagnation and high property tax rates such as exists in the South Suburbs of Cook County; and

WHEREAS, there exists several Illinois Department of Public Health designated food deserts throughout Cook County including in the South Suburbs; and

WHEREAS, according to U.S. Department of Agriculture (USDA) 2019 data, Illinois has 318 low-income and low access census tracts where urban residents must travel more than 1 mile and rural residents travel more than 10 miles to the nearest supermarket, which represents 10.2% of all census tracts and accounts for 1,242,939 Illinois residents living in these food deserts, and the county with the greatest number of tracts is Cook County with 51; and

WHEREAS, according to U.S. Department of Agriculture (USDA) 2019 data, Illinois has 870 low-income and low access census tracts where urban residents must travel more than 1/2 mile and rural residents travel more than 10 miles to the nearest supermarket, which represents 27.9% of all census tracts and accounts for 3,294,760 Illinois residents living in these food deserts, and the county with the greatest number of tracts is Cook County with 302; and

WHEREAS, lack of access to healthy food choices contributes to disparities in health outcomes and life expectancy, and access to healthy food is an integral ingredient to improving healthcare outcome disparities, which is a focal point of County Government, Cook County Health, and Cook County Department of Public Health; and

WHEREAS, one of the pillars of the County's Policy Roadmap and American Rescue Plan Act (ARPA) initiatives is to promote Healthy Communities including by addressing food insecurity and food access; and

WHEREAS, creation of a tax incentive to attract or retain grocery stores in food deserts has been determined an effective strategy by many academic and non-profit studies advocating for sustainable development in urban areas; and

WHEREAS, in order to target areas that have been designated as food deserts, specific definitions can ensure that tax credits incentivize building in food deserts, while restricting the potential for abuse;

NOW THEREFORE, BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 74 - Taxation, Article II - Real Property Taxation, Division 2 - Classification System for Assessment, Sections 74-63, 74-64, 74-69 and 74-73 of the Cook County Code are hereby amended as follows:  
Sec. 74-63. Assessment classes.

\*\*\*

(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 7d, Class 8, Class 9, Class S or Class L of this Section.  
\*\*\*

(12) Class 7d. Real estate used for expansion or renovation of a grocery store, new construction of a grocery store, or re-use of vacant commercial space for a grocery store located in a food desert. For this section, a "food desert" means a location lacking fresh fruit, vegetables, and other healthful whole foods, in part due to a lack of grocery stores, farmers' markets, or healthy food providers as defined in 20 ILCS 2310/2310-22, and that location is included in the Illinois Department of Public Health's - Illinois Food Deserts Annual Report. For this section, "grocery store" shall be defined as a commercial retail business where: (a) the majority of the sales floor area that is open and accessible to the public is occupied by produce, food and beverage products, and household items that are packaged for preparation and consumption for daily living needs; (b) includes full-service items including a meat, deli, and bakery department; (c) at least 55% of its employee workforce is employed on a full time basis. For this section, full time employee shall be defined as any employee who works an average of at least 30 hours per week for more than 120 days in a year. 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 7d is necessary for development of a grocery store located in a food desert, as defined in this section, 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 7d application to the Assessor.

In addition, the Ordinance or Resolution shall:

1. Provide verification that the subject property is in a food desert, as defined herein;
2. State the applicant's intended use of the property as a grocery store as defined herein; 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.

\*\*\*

(1213) 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.

\*\*\*

(1314) 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.

\*\*\*

(1415) 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.

\*\*\*

(1516) 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.

\*\*\*

(1617) Class 10. Used as a licensed bed and breakfast, as defined under the laws of the Cook County municipality where the property is situated, or registered as a Bed and Breakfast with the State of Illinois Bed and Breakfast Act, as established under 50 ILCS 820/1 et seq., the Illinois Bed and Breakfast Act, with six rentable units or less and with all said units contained in one improvement

where none of the units is owner occupied and a Homeowner's Exemption pursuant to the Illinois Property Tax Code, Chapter 35, Title 4, Article 15 shall be available if allowed by law, provided a Bed and Breakfast is not required to be qualified for Homeowner Exemptions.

\*\*\*

**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 percent. This change shall be effect on January 1, 2018.
- (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 7d: 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. This incentive may be renewed once.
- (1213) 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.
- (1314) Class 9: Ten percent for an initial ten-year period, renewable upon application for additional ten-year periods.
- (1415) 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.
- (1516) 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.
- (1617) Class 10: Ten percent.

\*\*\*

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

The assessment level applicable to real estate classified under incentive Classes 6b, C, 7a, 7b, 7c, 7d, 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. 74-73. - Suspension, Revocation or cancellation of incentive classification.**

(a) The following Incentive Classifications are subject to suspension, revocation or cancellation herein pursuant the provisions of this section: Class 6b; Class 6b (special circumstances); Class 6b TEERM; Class 6b SER; Class 7a; Class 7b; Class 7c; Class 7d; Class 8; and Class 8 TEERM.

\*\*\*

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

**Sponsors:**

DONNA MILLER, JOHN P. DALEY, BRANDON JOHNSON, BILL LOWRY, KEVIN B. MORRISON, PETER N. SILVESTRI, FRANK J. AGUILAR, ALMA E. ANAYA, DENNIS DEER, BRIDGET GAINER, SCOTT R. BRITTON

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
10/20/2022	1	Board of Commissioners	approve	Pass
10/19/2022	1	Business and Economic Development Committee	recommend for approval	Pass
9/22/2022	1	Board of Commissioners	refer	Pass