

**REPORT OF THE FINANCE ON REAL ESTATE & BUSINESS & ECONOMIC
DEVELOPMENT SUBCOMMITTEE**

June 19, 2012

The Honorable,
The Board of Commissioners of Cook County

ATTENDANCE

Present: Chairman Garcia, Vice Chairman Murphy, Commissioners Gorman, Reyes, Schneider and Steele (6)

Absent: Commissioners Butler (1)

Also Present: Commissioner Beavers; Patrick Driscoll, Jr. – Deputy State’s Attorney, Chief, Civil Actions Bureau.

Ladies and Gentlemen:

Your Committee on Finance Subcommittee on Real Estate & Business & Economic Development of the Board of Commissioners of Cook County met pursuant to notice on Tuesday, June 19, 2012 at the hour of 9:15 A.M. in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois.

Your Committee has considered the following items and upon adoption of this report, the recommendations are as follows:

318482 DEPARTMENT OF PLANNING AND POLICY, BUREAU OF ECONOMIC DEVELOPMENT. Transmitting a Communication, dated May 23, 2011 from Herman Brewer, Chief:

transmitted herewith is a request for approval of a HOME Investment Partnerships Program (HOME) Community Housing Development Organization (CHDO) Operating Assistance Grant in the amount of \$170,850.00 to Habitat for Humanity Chicago South Suburbs (HHCSS). This operating grant will be utilized to support HOME-eligible administrative expenses. Cost eligibility will be determined based upon HUD regulatory criteria and relevance to current and potential affordable housing development projects sponsored by HHCSS.

I respectfully request approval of this project, and that the Bureau Chief of Economic Development or his/her designee be authorized to execute, or behalf of the County of Cook, any and all documents necessary to further the grant approved herein, including, but not limited to, funding agreements, intergovernmental agreements, amendments, and modifications thereto. The approval of this grant by the Honorable Body will permit staff to issue necessary commitments to allow this grant to move forward.

Estimated Fiscal Impact: None. Grant Award: \$170,850.00. (772-298 Account).

***Referred to the Finance Subcommittee on Real Estate & Business & Economic Development on 06-05-12.**

Commissioner Gorman, seconded by Vice Chairman Murphy, moved the Approval of Communication No. 318482. The motion carried.

318483 DEPARTMENT OF PLANNING AND POLICY, BUREAU OF ECONOMIC DEVELOPMENT. Transmitting a Communication, dated May 15, 2012 from Herman Brewer, Chief:

transmitted herewith is a request for approval of a HOME Investment Partnerships Program (HOME) Community Housing Development Organization (CHDO) project loan in the amount of \$2,000,000.00 to Interfaith Housing Development Corporation (IHDC). This project loan will be utilized to support HOME-eligible project costs incurred during the development of a fifty-one (51) unit acquisition/rehabilitation multi-family rental housing project in Oak Park. All units will be HOME-assisted and the project is classified as permanent supportive housing based upon incorporation of a supportive services component. The total development cost (TDC) is \$16,818,350.00. The requested HOME funds account for twelve (12) percent of the TDC. Additional funding sources including Low-Income Housing Tax Credits (LIHTC).

The requested HOME funds would subsidize the project via a permanent loan based upon the following terms: A 0% cash flow only loan with cash flow split 66% to Cook County and 33% to the General Partner with a 30 year loan term as well as a 15 year affordability period. The loan will be due on sale or transferrable with Cook County permission.

I respectfully request approval of this project, and that the Bureau Chief of Economic Development or his/her designee be authorized to execute, or behalf of the County of Cook, any and all documents necessary to further the project approved herein, including, but not limited to, funding agreements, intergovernmental agreements, amendments, and modifications thereto. The approval of this project by the Honorable Body will permit staff to issue necessary commitments to allow this project to move forward.

Fiscal Impact: None. Grant Award: \$2,000,000.00. (772-298 Account).

***Referred to the Finance Subcommittee on Real Estate & Business & Economic Development on 06-05-12.**

Commissioner Steele, seconded by Vice Chairman Murphy, moved the Approval of Communication No. 318483. The motion carried.

318484 DEPARTMENT OF PLANNING AND POLICY, BUREAU OF ECONOMIC DEVELOPMENT. Transmitting a Communication, dated May 15, 2012 from Herman Brewer, Chief:

transmitted herewith are the proposed uses for the 2012 Program Year for the Community Development Block Grant (CDBG); Emergency Solutions Grant (ESG) (formerly known as the Emergency Shelter Grant); and HOME Investment Partnerships (HOME) programs as well as specific project recommendations for CDBG. These funds are provided to Cook County via an annual formula grant through the U.S. Department of Housing and Urban Development (HUD) and are restricted for use within Suburban Cook County. The Cook County Community Development Advisory Council (CDAC) adopted these recommendations at a public hearing held on May 10, 2012.

The 2012 Program Year CDBG allocation is \$9,318,878.00. Related project funding requests exceeded \$20,000,000.00. The proposed uses of CDBG funds will benefit low- and moderate- income persons as detailed in the enclosed project recommendations.

The 2012 Program Year ESG allocation is \$767,133.00. The proposed uses of ESG funds include the provision of essential services, support of maintenance/operations costs for homeless shelters, and assistance for homelessness prevention. Given the ongoing HUD transition of the ESG program from the Emergency Shelter Grant to the Emergency Solutions Grant model including changing rules and regulations, the Cook County release of a request for applications has been temporarily placed on hold. Therefore, ESG project recommendations are not provided at this time.

The 2012 Program Year HOME allocation is \$3,677,940.00. The proposed uses of HOME funds include program administration and affordable housing development for the benefit of low-income persons. Given the cyclical nature of affordable housing development, HOME project applications are accepted throughout the year and presented to the Board for review and approval as required. No HOME project recommendations are provided at this time.

The proposed uses of all program funds including project recommendations for CDBG will be incorporated into the County's Annual Action Plan which will be made available for public comment prior to submittal to HUD by August 15, 2012.

I respectfully request approval of the recommended proposed uses and project recommendations as specified for the 2012 CDBG, ESG, and HOME funds; and that the Bureau Chief of Economic Development or his/her designee be authorized to execute, on behalf of the County of Cook any and all documents necessary to further the programs approval herein, including but not limited to, subrecipient agreements, intergovernmental agreements, amendments, and modifications thereto, loan documents, lien assignments, releases of mortgages and liens, and mortgage assumptions.

***Referred to the Finance Subcommittee on Real Estate & Business & Economic Development on 06-05-12.**

Commissioner Steele, seconded by Vice Chairman Murphy, moved the Approval of Communication No. 318484. The motion carried.

318485 DEPARTMENT OF PLANNING AND POLICY, BUREAU OF ECONOMIC DEVELOPMENT (PROPOSED RESOLUTION). Transmitting a Communication, dated May 17, 2012 from Herman Brewer, Chief:

respectfully submitting this resolution regarding AMB-SGP CIF-Illinois L.P.'s request for a Class 6b property tax incentive for special for an industrial building located at 1281 Arthur Avenue, Elk Grove Village, Illinois. The applicant intends to lease to an industrial user for warehousing, manufacturing and/or distribution.

AMB-SGP CIF-Illinois L.P. requests approval of the tax incentive based on the special circumstances that the property has been vacant for more than 24 months and there has been no purchase for value under the Class 6b Ordinance. This Resolution is required so that the company can complete its application to the Assessor of Cook County.

Submitting a Proposed Resolution sponsored by Toni Preckwinkle, President and Elizabeth "Liz" Doody Gorman, County Commissioner.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b that provides an applicant a reduction in the assessment level for an industrial facility; and

WHEREAS, the County Board of Commissioners has received and reviewed an application from AMB-SGP CIF-Illinois L.P. and Resolution No. 17 from the Village of Elk Grove Village for an abandoned industrial facility located at 1281 Arthur Avenue, Elk Grove Village, Cook County, Illinois, County Board District #17, Property Index No.: 08-34-402-050-0000; and

WHEREAS, Cook County has defined abandoned property as buildings and other structures that, after having been vacant and unused for at least 24 months, are purchased for value by a purchaser in whom the seller has no direct financial interest; and

WHEREAS, industrial real estate is normally assessed at 25% of its market value. Qualifying industrial real estate eligible for the Class 6b can receive a significant reduction in the level of assessment from the date that new construction or rehabilitation has been completed, or in the case of abandoned property from the date of substantial re-occupancy. Properties receiving Class 6b will be assessed at 10% of the market value for 10 years, 15% for the 11th year and 20% in the 12th year; and

WHEREAS, in the instance where the property does not meet the definition of abandoned property, the municipality or the Board of Commissioners, may determine that special circumstances justify finding that the property is abandoned for the purpose of Class 6b; and

WHEREAS, in the case of abandonment of over 24 months and no purchase for value by a disinterested buyer, the County may determine that special circumstances justify finding the property is deemed abandoned; and

WHEREAS, Class 6b requires a Resolution by the County Board validating the property is deemed abandoned for the purpose of Class 6b; and

WHEREAS, the Cook County Board of Commissioners has determined that the building has been abandoned for 25 months, at the time of application, with no purchase for value and that special circumstances are present; and

WHEREAS, the re-occupancy will create an estimated 25-30 new full-time jobs; and

WHEREAS, the Village of Elk Grove Village states the Class 6b is necessary for development to occur on this specific real estate. The municipal resolution cites the special circumstances include that the property has been vacant for over 24 months and there will be no purchase for value; and

WHEREAS, the applicant acknowledges that it must provide an affidavit to the Assessor's Office stipulating that it is in compliance with the County's Living Wage Ordinance prior to receiving the Class 6b incentive on the subject property.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, that the President and Board of Commissioners validate the property located at 1281 Arthur Avenue, Elk Grove Village, Cook County, Illinois, is deemed abandoned with special circumstances under the Class 6b; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this resolution to the Office of the Cook County Assessor.

***Referred to the Finance Subcommittee on Real Estate & Business & Economic Development on 06-05-12.**

Vice Chairman Murphy, seconded by Commissioner Steele, moved the Approval of Communication No. 318485. The motion carried.

318486 DEPARTMENT OF PLANNING AND POLICY, BUREAU OF ECONOMIC DEVELOPMENT (PROPOSED RESOLUTION). Transmitting a Communication, dated May 17, 2012 from Herman Brewer, Chief:

respectfully submitting this resolution regarding DL Acquisitions, Inc.'s request for a Class 6b property tax incentive for special circumstances and substantial rehabilitation for an industrial building located at 1371 Brummel Avenue, Elk Grove Village, Illinois. The applicant has leased the facility to Airtech Environmental Services, Inc., a company that specializes in the analysis and monitoring of Stack Emissions, CEMS Services and Green House Gas Services.

DL Acquisitions, Inc. requests approval of the tax incentive based on the special circumstances that the property has been vacant for less than 24 months; has been purchased for value; and substantial rehabilitation will be completed under the Class 6b Ordinance. This Resolution is required so that the company can complete its application to the Assessor of Cook County.

Submitting a Proposed Resolution sponsored by Toni Preckwinkle, President and Elizabeth "Liz" Doody Gorman, County Commissioner.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b that provides an applicant a reduction in the assessment level for an industrial facility; and

WHEREAS, the County Board of Commissioners has received and reviewed an application from DL Acquisitions, Inc. or its Nominee and Resolution No. 28-11 from the Village of Elk Grove Village for an abandoned industrial facility located at 1371 Brummel Avenue, Elk Grove Village, Cook County, Illinois, County Board District #17, Property Index Number: 08-27-202-054-0000; and

WHEREAS, Cook County has defined abandoned property as buildings and other structures that, after having been vacant and unused for at least 24 months, are purchased for value by a purchaser in whom the seller has no direct financial interest; and

WHEREAS, industrial real estate is normally assessed at 25% of its market value, qualifying industrial real estate eligible for the Class 6b can receive a significant reduction in the level of assessment from the date that new construction or rehabilitation has been completed, or in the case of abandoned property from the date of substantial re-occupancy. Properties receiving Class 6b will be assessed at 10% of the market value for 10 years, 15% for the 11th year and 20% in the 12th year; and

WHEREAS, in the instance where the property does not meet the definition of abandoned property, the municipality or the Board of Commissioners, may determine that special circumstances justify finding that the property is abandoned for purpose of Class 6b; and

WHEREAS, in the case of abandonment of less than 24 months and purchase for value, by a purchaser in whom the seller has no direct financial interest, the County may determine that special circumstances justify finding the property is deemed abandoned; and

WHEREAS, Class 6b requires the validation by the County Board of the shortened period of qualifying abandonment in cases where the facility has been abandoned for less than 24 consecutive months upon purchase for value; and

WHEREAS, the Cook County Board of Commissioners has determined that the building was abandoned four (4) months at the time of application, and that special circumstances are present; and

WHEREAS, the applicant estimates that the re-occupancy will create 20-25 new full time jobs and five (5) construction jobs; and

WHEREAS, the Village of Elk Grove Village states the Class 6b is necessary for development to occur on this specific real estate. The municipal Resolution cites the special circumstances include that the property has been vacant for less than 24 months; has been purchased for value; and is in need of substantial rehabilitation; and

WHEREAS, the applicant acknowledges that it must provide an affidavit to the Assessor's Office stipulating that it is in compliance with the County's Living Wage Ordinance prior to receiving the Class 6b incentive on the subject property.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, that the President and Board of Commissioners validate the property located at 1371 Brummel Avenue, Elk Grove Village, Cook County, Illinois, is deemed abandoned with special circumstances under the Class 6b; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this Resolution to the Office of the Cook County Assessor.

***Referred to the Finance Subcommittee on Real Estate & Business & Economic Development on 06-05-12.**

Commissioner Steele, seconded by Commissioner Reyes, moved the Approval of Communication No. 318486. The motion carried.

318487 DEPARTMENT OF PLANNING AND POLICY, BUREAU OF ECONOMIC DEVELOPMENT (PROPOSED RESOLUTION). Transmitting a Communication, dated May 17, 2012 from Herman Brewer, Chief:

respectfully submitting this resolution regarding KTR Illinois, LLC's request for a Class 6b property tax incentive for special circumstances and substantial rehabilitation for an industrial building located at 10415 United Parkway, Schiller Park, Illinois. The applicant has leased the facility to O'Hare Blue Sky Parking an offsite short-term and long term parking and lot.

KTR Illinois, LLC requests approval of the tax incentive based on the special circumstances that the property has been vacant for more than 24 months; there has been no purchase for value; and substantial rehabilitation will be completed under the Class 6b Ordinance. This Resolution is required so that the company can complete its application to the Assessor of Cook County.

Submitting a Proposed Resolution sponsored by Toni Preckwinkle, President and Jeffrey R. Tobolski, County Commissioner.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b that provides an applicant a reduction in the assessment level for an industrial facility; and

WHEREAS, the County Board of Commissioners has received and reviewed an application from KTR Illinois LLC and Resolution No. 18-11 from the Village of Schiller Park for an abandoned industrial facility located at 10415 United Parkway, Schiller Park, Cook County, Illinois, County Board District #16, Property Index Number: 12-17-401-072-0000; and

WHEREAS, Cook County has defined abandoned property as buildings and other structures that, after having been vacant and unused for at least 24 months, are purchased for value by a purchaser in whom the seller has no direct financial interest; and

WHEREAS, industrial real estate is normally assessed at 25% of its market value. Qualifying industrial real estate eligible for the Class 6b can receive a significant reduction in the level of assessment from the date that new construction or rehabilitation has been completed, or in the case of abandoned property from the date of substantial re-occupancy. Properties receiving Class 6b will be assessed at 10% of the market value for 10 years, 15% for the 11th year and 20% in the 12th year; and

WHEREAS, in the instance where the property does not meet the definition of abandoned property, the municipality or the Board of Commissioners, may determine that special circumstances justify finding that the property is abandoned for the purpose of Class 6b; and

WHEREAS, in the case of abandonment of over 24 months and no purchase for value by a disinterested buyer, the County may determine that special circumstances justify finding the property is deemed abandoned; and

WHEREAS, Class 6b requires a resolution by the County Board validating the property is deemed abandoned for the purpose of Class 6b; and

WHEREAS, the Cook County Board of Commissioners has determined that the building has been abandoned for 26 months, at the time of application, with no purchase for value and that special circumstances are present; and

WHEREAS, the re-occupancy will create an estimated 50-100 new full-time jobs, and 5-10 construction jobs; and

WHEREAS, the Village of Schiller Park states the Class 6b is necessary for development to occur on this specific real estate. The municipal Resolution cites the special circumstances include that the property has been vacant for over 24 months; has not been purchased for value; and is in need of substantial rehabilitation; and

WHEREAS, the applicant acknowledges that it must provide an affidavit to the Assessor's Office stipulating that it is in compliance with the County's Living Wage Ordinance prior to receiving the Class 6b incentive on the subject property.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, that the President and Board of Commissioners validate the property located at 10415 United Parkway, Schiller Park, Cook County, Illinois, is deemed abandoned with special circumstances under the Class 6b; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this Resolution to the Office of the Cook County Assessor.

***Referred to the Finance Subcommittee on Real Estate & Business & Economic Development on 06-05-12.**

Vice Chairman Murphy, seconded by Commissioner Steele, moved the Approval of Communication No. 318487. The motion carried.

318488 DEPARTMENT OF PLANNING AND POLICY, BUREAU OF ECONOMIC DEVELOPMENT (PROPOSED RESOLUTION). Transmitting a Communication, dated May 17, 2012 from Herman Brewer, Chief:

respectfully submitting this resolution regarding Prologis, Inc.'s request for a Class 6b property tax incentive for special circumstances and substantial rehabilitation for an industrial building located at 1455 Estes Avenue, Elk Grove Village, Illinois. The applicant has leased the property to the Creative Technology Group, Inc., a distribution and set-up company of high definition multi-imaging displays, system design, operation and execution.

Prologis, Inc. requests approval of the tax incentive based on the special circumstances that the property has been vacant for more than 24 months; there has been no purchase for value; and substantial rehabilitation will be completed under the Class 6b Ordinance. This Resolution is required so that the company can complete its application to the Assessor of Cook County.

Submitting a Proposed Resolution sponsored by Toni Preckwinkle, President and Elizabeth "Liz" Doody Gorman, County Commissioner.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b that provides an applicant a reduction in the assessment level for an industrial facility; and

WHEREAS, the County Board of Commissioners has received and reviewed an application from Prologis, Inc. and Resolution No. 32-11 from the Village of Elk Grove Village for an abandoned industrial facility located at 1455 Estes Avenue, Elk Grove Village, Cook County, Illinois, County Board District #17, Property Index Number: 08-34-201-007-0000; and

WHEREAS, Cook County has defined abandoned property as buildings and other structures that, after having been vacant and unused for at least 24 months, are purchased for value by a purchaser in whom the seller has no direct financial interest; and

WHEREAS, industrial real estate is normally assessed at 25% of its market value. Qualifying industrial real estate eligible for the Class 6b can receive a significant reduction in the level of assessment from the date that new construction or rehabilitation has been completed, or in the case of abandoned property from the date of substantial re-occupancy. Properties receiving Class 6b will be assessed at 10% of the market value for 10 years, 15% for the 11th year and 20% in the 12th year; and

WHEREAS, in the instance where the property does not meet the definition of abandoned property, the municipality or the Board of Commissioners, may determine that special circumstances justify finding that the property is abandoned for the purpose of Class 6b; and

WHEREAS, in the case of abandonment of over 24 months and no purchase for value by a disinterested buyer, the County may determine that special circumstances justify finding the property is deemed abandoned; and

WHEREAS, Class 6b requires a resolution by the County Board validating the property is deemed abandoned for the purpose of Class 6b; and

WHEREAS, the Cook County Board of Commissioners has determined that the building has been abandoned for 25 months, at the time of application, with no purchase for value and that special circumstances are present; and

WHEREAS, the re-occupancy will retain 35 full time jobs; create an estimated 40 new full-time jobs and 10-12 construction jobs; and

WHEREAS, Village of Elk Grove Village states the Class 6b is necessary for development to occur on this specific real estate. The municipal Resolution cites the special circumstances include that the property has been vacant for over 24 months; will have no purchase for value; and is in need of substantial rehabilitation; and

WHEREAS, the applicant acknowledges that it must provide an affidavit to the Assessor's Office stipulating that it is in compliance with the County's Living Wage Ordinance prior to receiving the Class 6b incentive on the subject property.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, that the President and Board of Commissioners validate the property located at 1455 Estes Avenue, Elk Grove Village, Cook County, Illinois, is deemed abandoned with special circumstances under the Class 6b; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this Resolution to the Office of the Cook County Assessor.

***Referred to the Finance Subcommittee on Real Estate & Business & Economic Development on 06-05-12.**

Vice Chairman Murphy, seconded by Commissioner Steele, moved the Approval of Communication No. 318488. The motion carried.

318489 BUREAU OF ECONOMIC DEVELOPMENT, REAL ESTATE MANAGEMENT DIVISION (PROPOSED INTERGOVERNMENTAL AGREEMENT). Transmitting a Communication, dated May 15, 2012 from Anna Ashcraft, Director:

respectfully requesting approval of an Intergovernmental Agreement between the County of Cook and the State of Illinois for the use by the Circuit Court of court hearing rooms located in the Chicago Read Mental Health Center, "K" Building, 4200 North Oak Park Avenue, Chicago, Illinois. The Court holds medication and commitment hearings for persons admitted to the Center. Details are:

Landlord:	State of Illinois Department of Central Management Services (CMS) on behalf of the Department of Human Services (DHS)
Tenant:	County of Cook for use by the Circuit Court of Cook County
Location:	Chicago Read Mental Health Center 4200 North Oak Park Avenue, "K" Building Chicago, Illinois
Term:	July 1, 2012 to June 30, 2017
Termination:	90 day written notice by either party
Space Occupied:	Approximately 16,000 square feet

Fiscal Impact: None.

Approval is recommended.

***Referred to the Finance Subcommittee on Real Estate & Business & Economic Development on 06-05-12.**

Vice Chairman Murphy, seconded by Commissioner Steele, moved the Approval of Communication No. 318489. The motion carried.

Chairman Garcia asked the Secretary to the Board to call upon the registered public speaker, in accordance with Cook County Code, Sec. 2-107(dd).

1. George Blakemore, Concerned Citizen

Commissioner Steele moved to adjourn the meeting, seconded by Commissioner Reyes. The motion carried and the meeting was adjourned.

**YOUR COMMITTEE RECOMMENDS THE FOLLOWING ACTION
WITH REGARD TO THE MATTER NAMED HEREIN:**

Communication Number 318482	Approved
Communication Number 318483	Approved
Communication Number 318484	Approved
Communication Number 318485	Approved
Communication Number 318486	Approved
Communication Number 318487	Approved
Communication Number 318488	Approved
Communication Number 318489	Approved

Respectfully submitted,
Committee on Real Estate & Business &
Economic Development



Jesus G. Garcia, Chairman

Attest:



Matthew B. DeLeon, Secretary

*A video recording of this meeting is available on the Office of the Secretary to the Board's web site on the Video Page at <http://blog.cookcountyil.gov/secretarytotheboard/county-board-proceedings/county-board-video-and-audio/>