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

July 24, 2012

The Honorable,
The Board of Commissioners of Cook County

ATTENDANCE

Present: Chairman Garcia, Vice Chairman Murphy, Commissioners Butler and Schneider (4)

Absent: Commissioners Gorman, Reyes and Steele (3)

Also Present: 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, July 24, 2012 at the hour of 8:30 A.M. in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois.

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. Tom Feltner, Vice President, Woodstock Institute
2. Richard Sciortino, President, Brinshore Development
3. Eithne McMenamin, Director of Policy, Chicago Coalition

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

319011 BUREAU OF ECONOMIC DEVELOPMENT, DEPARTMENT OF PLANNING AND DEVELOPMENT (PROPOSED RESOLUTION). Transmitting a Communication, dated June 20, 2012 from Herman Brewer, Chief:

respectfully submitting this Resolution regarding Brighton Trading Inc.'s request for a Class 6b property tax incentive for special circumstances and substantial rehabilitation for an industrial building located at 4920 South Monitor, Chicago, Illinois in unincorporated Cook County. The applicant has leased the facility to Aqua Ocean for the warehousing and distribution of frozen fish.

Brighton Trading, Inc. 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 John P. Daley, County Commissioner.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b incentive 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 Brighton Trading Inc. located in an unincorporated area of Cook County for an abandoned industrial facility located at 4902 South Monitor, Chicago, Cook County, Illinois, County Board District #11, Property Index Number: 19-08-202-032-0000; 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, the real estate is located in an unincorporated area of Cook County, the Cook County Board must by lawful Resolution or Ordinance, expressly state that it supports and consents to the filling of a Class 6b Application and that it finds Class 6b necessary for development to occur on the subject property; 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, the Cook County Board of Commissioners has determined that the building was abandoned for 41 months at the time of application, with no purchase for value and that special circumstances are present; and

WHEREAS, the applicant estimates that the re-occupancy will create 3 new full-time jobs and 4 part-time jobs; and

WHEREAS, the County of Cook finds that the Class 6b tax incentive is necessary for development to occur on this specific real estate. The County of Cook further cites that the subject property has been vacant and unused for more than 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, State of Illinois, that the President and Board of Commissioners validate the property located at 4902 South Monitor, Chicago, 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 7/10/12.**

Vice Chairman Murphy, seconded by Commissioner Butler, moved the Approval of Communication No. 319011. The motion carried.

319012 BUREAU OF ECONOMIC DEVELOPMENT, DEPARTMENT OF PLANNING AND DEVELOPMENT (PROPOSED RESOLUTION). Transmitting a Communication, dated June 10, 2012 from Herman Brewer, Chief:

respectfully submitting this Resolution regarding T. H. Davidson & Co., Inc.'s request for a Class 8 property tax incentive for special circumstances for an industrial building located at 3932 West 149th Street, Midlothian, Illinois. The applicant has leased the building to Welsh Red-E-Mix, a concrete manufacturing and distribution company.

T. H. Davidson & Co., Inc. 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 8 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 Joan Patricia Murphy, County Commissioner.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 8 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 T.H. Davidson & Co., Inc. and Resolution No. 11-0525-C from the Village of Midlothian for an abandoned industrial facility located at 3932 West 149th Street, Midlothian, Cook County, County Board District #6, Property Index Numbers: 28-11-308-001-0000; 28-11-308-002-0000 and 28-11-308-020-0000; 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 8 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 8 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 8; 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 8 requires a Resolution by the County Board validating the property is deemed abandoned for the purpose of Class 8; and

WHEREAS, the Cook County Board of Commissioners has determined that the building has been abandoned for 31 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 four (4) to 15 new full-time jobs, retain one (1) to two (2) part-time jobs and seven (7) to 15 construction jobs and the Village of Midlothian states the Class 8 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 has been no purchase for value.

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 3932 West 149th Street, Midlothian, Cook County, Illinois, is deemed abandoned with special circumstances under the Class 8; 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 7/10/12.**

Vice Chairman Murphy, seconded by Commissioner Butler, moved the Approval of Communication No. 319012. The motion carried.

319013 BUREAU OF ECONOMIC DEVELOPMENT, DEPARTMENT OF PLANNING AND DEVELOPMENT (PROPOSED RESOLUTION). Transmitting a Communication, dated June 20, 2012 from Herman Brewer, Chief:

respectfully submitting this Resolution regarding Essen Global, Inc.'s request for a Class 6b property tax incentive for special circumstances for an industrial building located at 740 Bonnie Lane, Elk Grove Village, Illinois. The applicant intends to lease to Glow with Us, the owners company for the warehouse and distribution of glow-in-the-dark, light-up and promotional products.

Essen Global, Inc. requests approval of the tax incentive based on the special circumstances that the property has been vacant for less than 24 months; and has been purchased 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 Essen Global, Inc. and Resolution No. 38-11 from the Village of Elk Grove Village for an abandoned industrial facility located at 740 Bonnie Lane, Elk Grove Village, Cook County, Illinois, County Board District #17, Property Index Number: 08-27-102-134-1003; 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 less than 24 months and 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 13 months, at the time of application, with no purchase for value and that special circumstances are present; and

WHEREAS, the re-occupancy will retain 2 full time jobs; create an estimated 2-4 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 less than 24 months; and has been purchased 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 740 Bonnie Lane, 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 7/10/12.**

Vice Chairman Murphy, seconded by Commissioner Butler, moved the Approval of Communication No. 319013. The motion carried.

318665 ESTABLISHING A COOK COUNTY LAND BANK ADVISORY COMMITTEE (PROPOSED RESOLUTION). Submitting a Proposed Resolution sponsored by Toni Preckwinkle, President and Bridget Gainer, County Commissioner.

The following is a synopsis of the Proposed Resolution:

PROPOSED RESOLUTION

ESTABLISHING A COOK COUNTY LAND BANK ADVISORY COMMITTEE

WHEREAS, the current housing and economic crisis has deep and wide-ranging consequences in Cook County; and

WHEREAS, the growing incidence of vacant, abandoned, tax-delinquent, and foreclosed properties in neighborhoods throughout the region have had a chilling effect on economic development and cause harm to overall economic health; and

WHEREAS, the problem only threatens to deepen as more than 85,000 foreclosure cases are currently pending in Cook County which may lead to the lowering of neighbors' property values, weakening the tax base, and imposing additional costs on local government; and

WHEREAS, foreclosure and vacant buildings cannot be contained by suburban borders, ward boundaries or districts; we must tackle vacant and abandoned properties throughout the County by repurposing the tools and resources that reside in our home rule authority; and

NOW, THEREFORE BE IT RESOLVED, that the President of the Cook County Board assemble a Cook County Land Bank Advisory Committee ("Advisory Committee") that may include but not be limited to representatives from the President's Office, Cook County Bureau of Economic Development, City of Chicago, Housing Authority of Cook County, Office of the Cook County State's Attorney, Suburban Elected Officials, Suburban Mayors and Managers Associations, regional planning agencies, civic leaders, affordable housing developers, and local realtors within 60 days of the passage of this Resolution; and

BE IT FURTHER RESOLVED, that the Advisory Committee shall consider potential models for a Cook County Land Bank, including but not limited to: (1) creation of a not-for-profit redevelopment authority established under the County's charter in partnership with the Bureau of Economic Development; (2) creation of a permanent Countywide Advisory Board established by the Cook County Board President to work with a designated not-for-profit development authority or the Cook County Bureau of Economic Development to approve the placement of property into a Land Bank Authority created by the Cook County; or (3) creation of a not-for-profit redevelopment authority established under the Housing Authority of Cook County in partnership with Cook County; and

BE IT FURTHER RESOLVED, in determining the recommended Cook County Land Bank model, the Advisory Committee shall consider at a minimum the following goals: (1) ability to eliminate harms caused by vacant, abandoned, and tax-delinquent properties by returning them to productive use; (2) ability to eliminate barriers to returning properties to productive use, such as cloudy title; and (3) ability to hold properties for a limited duration until they can be effectively conveyed to new owners in accordance with redevelopment plans; and

BE IT FURTHER RESOLVED, in determining the recommended Cook County Land Bank model, the Advisory Committee shall at a minimum consider the following benefits of creating a Countywide Land Bank: (1) vacant, abandoned, and tax-delinquent properties that have been allowed to become growing liabilities to communities could be returned to productive use; (2) the tax base could be strengthened by returning unproductive properties to productive use; (3) planning capacity available to local communities could be increased;

and (4) property targeted for redevelopment could be held in trust, reducing the number of repeated transfers of low value property by speculators; and

BE IT FURTHER RESOLVED, the Advisory Committee should take into consideration the potential budget, target areas, scope of services and governance of a Cook County Land Bank with the goals stated above; and

BE IT FURTHER RESOLVED, the Advisory Committee shall further evaluate methods and recommend initiatives to further market existing tax credit classes via the Cook County Bureau of Economic Development which would allow for the conveyance of various tax exemptions upon the authorization of the Cook County Board that could lead to revitalization, incentivize economic growth, facilitate affordable housing and increase open space; and

BE IT FURTHER RESOLVED, the Advisory Committee shall make recommendations within 60 days of appointment of the Advisory Committee, to the President and Board of Commissioners of Cook County recommending a model or models for a countywide Cook County Land Bank; and

BE IT FURTHER RESOLVED, the Advisory Committee shall make recommendations within 90 days of appointment of the Advisory Committee, to the President and Board of Commissioners of Cook County recommending additional ways to market and benefits of marketing existing tax credit classes.

***Referred to the Finance Subcommittee on Real Estate & Business & Economic Development on 6/19/12.**

Vice Chairman Murphy, seconded by Commissioner Butler, moved the Approval of Communication No. 318665. The motion carried.

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

Communication Number 319011	Approved
Communication Number 319012	Approved
Communication Number 319013	Approved
Communication Number 318665	Approved

Vice Chairman Murphy moved to adjourn the meeting, seconded by Commissioner Butler. The motion carried and the meeting was adjourned.

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/