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

September 9, 2013

The Honorable,
The Board of Commissioners of Cook County

SECTION 1

ATTENDANCE

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

Absent: Vice Chairman Murphy (1)

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 Monday, September 9, 2013 at the hour of 9:30 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:

324525 BUREAU OF ECONOMIC DEVELOPMENT, DEPARTMENT OF PLANNING AND DEVELOPMENT (PROPOSED RESOLUTION). Transmitting a Communication, dated July 12, 2013 from Herman Brewer, Chief:

respectfully submitting this Resolution regarding Cabot III-IL1W10, LLC's request for a Class 6b property tax incentive for special circumstances and substantial rehabilitation of an industrial building located at 2250 Arthur Avenue, Elk Grove Village, Illinois. The applicant has leased the property to RelaDyne for warehousing and distribution of automotive and industrial supplies and equipment.

Cabot III-IL1W10, 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 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 Cabot III-IL1W10. LLC and Resolution No. 55-12 from the Village of Elk Grove Village for an abandoned industrial facility located at 2250 Arthur Avenue, Elk Grove Village, Cook County, Illinois, County Board District #17, Property Index Number: 08-35-403-057-0000; 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 retain 25 full-time jobs and one (1) part-time job; create an estimated seven (7) new full-time jobs and one (1) part-time job and 10-30 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 over 24 months; there will be 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 2250 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 7-31-13.**

Commissioner Gorman, seconded by Commissioner Reyes, moved Approval of Communication No. 324525. The motion carried.

324526 BUREAU OF ECONOMIC DEVELOPMENT, DEPARTMENT OF PLANNING AND DEVELOPMENT (PROPOSED RESOLUTION). Transmitting a Communication, dated July 12, 2013 from Herman Brewer, Chief:

respectfully submits this Resolution regarding Prologis-Exchange IL (4), LLC's request for a Class 6b property tax incentive for special circumstances and substantial rehabilitation for an industrial building located in unincorporated Cook County at 3001-3007 Malmo Drive, Arlington Heights, Illinois. The applicant intends to utilize the House of Doolitte for the manufacturing of quality recycled desk pads, calendars and appointment books.

Prologis-Exchange IL (4), 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 Timothy O. Schneider, 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 Prologis-Exchange IL (4), LLC located in an unincorporated area of Cook County for an abandoned industrial facility located at 3001-3007 Malmo Drive, Arlington Heights, Cook County, Illinois, County Board District #15, Property Index Numbers: 08-23-202-017-0000 and 08-23-202-046-0000; 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, 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 filing of a Class 8 Application and that it finds Class 8 necessary for development to occur on the subject property; 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, Class 8 requires the validation of the County Board 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 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 applicant estimates that the re-occupancy will create 40 to 50 new full-time jobs and create 30 construction 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 located in unincorporated Cook. The County of Cook further cites that the subject property has been vacant and unused for more than 24 months; there has been 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 3001-3007 Malmo Drive, Arlington Heights, 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 7-31-13.**

Commissioner Gorman, seconded by Commissioner Reyes, moved the approval of Communication No. 324526. The motion carried.

324527 BUREAU OF ECONOMIC DEVELOPMENT, DEPARTMENT OF PLANNING AND DEVELOPMENT (PROPOSED RESOLUTION). Transmitting a Communication, dated July 12, 2013 from Herman Brewer, Chief:

respectfully submits this Resolution regarding Forty Foot High Realty, LLC's request for a Class 6b property tax incentive for special circumstances and substantial rehabilitation for an industrial building located at 55 Allendale Drive, Wheeling, Illinois. The applicant has leased the property to Aargus Plastic for the manufacturing of industrial and commercial plastic products, including trash and box liners.

Forty Foot High Realty, LLC 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 Gregg Goslin, 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 Forty Foot High Realty, LLC and Resolution No. 12-76 from the Village of Wheeling for an abandoned industrial facility located at 55 Allendale Drive, Wheeling, Cook County, Illinois, County Board District #14, Property Index Numbers: 03-03-401-012-000 and 03-03-401-013-0000; 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 for 18 months at the time of application, and that special circumstances are present; and

WHEREAS, the applicant estimates that the re-occupancy will create 40 new full-time jobs and 12 construction jobs; and

WHEREAS, the Village of Wheeling states the Class 6b is necessary for development to occur on this specific real estate. The municipal Resolution cites the special circumstances indicating that the property has been vacant for less than 24 months; will be purchased for value pending approval of the Class 6b; 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 55 Allendale, Wheeling, 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 7-31-13.**

Commissioner Gorman, seconded by Commissioner Reyes, moved the approval of Communication No. 324527. The motion carried.

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

SECTION 2

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

Communication Number 324525	Recommend for Approval
Communication Number 324526	Recommend for Approval
Communication Number 324527	Recommend for Approval

Respectfully submitted,
Finance Subcommittee 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/