



**Cook County
Sustainable Emergency Relief
(SER)
Class 6b Property Tax Incentive
Eligibility Application
Supplement**

Cook County Class 6b - Sustainable Emergency Relief (SER)

BACKGROUND

The Cook County Class 6b Sustainable Emergency Relief (SER) property tax incentive was created in 2013 as an aid to maintain Cook County's industrial base. The SER program is an amendment to the Cook County Class 6b Property Tax Incentive in that SER provides temporary emergency property tax relief to long-term (10 years or more) industrial enterprises in Cook County. The SER Program applies to properties where the qualifying use of the property does not comply with the definition of "abandoned property, substantial rehabilitation, or vacancy" under the current Class 6b program. Qualifying properties under the SER Program will be assessed at 10 percent for the first 10 years, 15 percent for the 11th year and 20 percent for the 12th year. The SER tax incentive is not renewable. The SER program shall sunset on November 30, 2018.

ELIGIBILITY

All factors must be met for an industrial property to qualify:

- The real estate must be used for industrial purposes as defined in the Cook County Ordinance
- The company must be located in the same facility for 10 years prior to the SER application submittal.
- The industrial enterprise must submit evidence of economic hardship due to factors associated with the facility that they current own or lease. The factors include:
 - Located in facility that is more than 20 years of age or older
 - The facility must be able to show evidence of three (3) of the thirteen (13) factors of blight as defined by the Illinois Tax Increment Allocation Act (Conservation Area).
 - The area where the facility is located should have above average industrial vacancy rate when compared to the overall vacancy rate for the entire Chicagoland industrial market. Industry can be obtained from the market reports provided by COSTAR, LOOPNET, NAI Hiffman, CBRE, or Colliers, etc.
- An explanation and financial analysis detailing why the SER incentive is necessary for the company to maintain operations at its current location. The financial analysis must compare the operations of the company with and without the incentive including a return on investment analysis.
- **The municipality where the real estate is located must provide a resolution stating that its supports and consents to the Cook County Class 6b - SER property tax incentive. If the real estate is located in an unincorporated area, then a resolution from the Cook County Board of Commissioners is required.**
- **The Cook County Bureau of Economic Development and/or its agents may meet with the company on an annual basis to verify the Applicant's operations while the SER is in effect.**

USES

Only industrial enterprises can demonstrate 10 years of occupancy or ownership at the subject site can apply under the SER classification.

APPLICATION PROCESS

Applications can be obtained by contacting the Cook County's Assessor's Office and Cook County Bureau of Economic Development (CCEBED). SER applications should include a completed application from the Cook County Assessor's office along with all supporting documents required for CCBED review. CCBED Staff will review the completed application package for underwriting. After underwriting and a comprehensive review, applications will then be submitted to the Economic Development Advisory Committee (EDAC) for consideration and recommendation of SER incentive. Upon approval of the recommendation by the EDAC, a formal package will then submitted to the Board of Commissioners for consideration. Upon Cook County Board approval, a resolution is then submitted to the Assessor's office for the final approval of the SER.

Termination of the SER Incentive

Per the Cook County Assessor' office, the Class 6b SER property tax incentive may terminated if the applicant fails to adhere the requirements outlined in the Cook County's Assessor's Class 6b SER application

SER Approval Process

- 1. An introductory meeting is required prior to formal submission of the SER Application**
Prospective applicants should request a meeting with the Cook County Assessor's office and CCBED to discuss their project and the rationale of why they are applying for the SER.
- 2. Submission and review of the SER Application and Economic Hardship components**
CCBED requires submission of complete application for SER property tax incentive in order to consider an applicant's request for the SER property tax incentive.
- 3. Present the proposed project to the Economic Development Advisory Committee (EDAC)**
- 4. Present the proposed project to Cook County Board of Commissioners**
- 5. File the application and supplemental data with the Cook County Assessor's Office along with the Cook County Board of Commissioner's Recommendation.**

CCBED reviews all applications for the SER property tax incentive; however the Cook County Assessor has the final approval for all Class 6b – SER applications. The Bureau requests that in order to adequately evaluate a request for the tax incentive, the Applicant must:

- Provide all requested items in a single submission
- Provide a minimum of five (5) copies of the submission to CCBED.

The failure to provide all the information requested could delay processing the application. CCBED has the right to halt any application that does not have the all requested items.

Application Components (Required for CCBED review)

- Cook County Assessor’s Class 6b Sustainable Emergency Relief (SER) Eligibility Application
- Municipal resolution supporting the Class 6b SER classification (if unincorporated Cook County, then Cook County Board Resolution)
- Project Narrative: In-depth description of the project in narrative format
- Site Maps: Maps that show the location of the site.
- List of PINs: Parcel Identification Numbers
- Public Benefits: Describe the public benefits associated with the project and how the tax savings will be used:
 - Job Creation and/or retention
 - Environmentally friendly features
 - Job training opportunities
 - Stabilization of the industrial real estate market by maintaining tenancy Improvements/Investments in technology due to the tax savings
- Demonstration of Need: Statement explaining why the SER is needed.
- Evidence of Site Control: Deeds, title policies, and leases
- Analysis of Financial Need – Operating pro-forma with an Internal Rate of Return Analysis with and without the SER property tax incentive (Gap analysis)
- Provide Property Tax Projections with and without the SER Tax Incentive
- The industrial enterprise must be located in a facility greater than 20 years old (Proof required).
- A blight analysis report based on the Illinois Tax Increment Financing Allocation Act (65 ILCS 5/11-74.4-1 et seq.) for the project site
 - Factors include:
 - The site must show evidence of three (3) of the following thirteen (13) factors
 1. Dilapidation
 2. Obsolescence
 3. Deterioration
 4. Presence of structures below minimum code standards
 5. Illegal use of individual structures
 6. Excessive vacancies (vacancy in the area must greater than normal)
 7. Lack of ventilation
 8. Inadequate utilities
 9. Excessive land coverage
 10. Deleterious land-use or layout
 11. Environmental clean-up
 12. Lack of community planning
 13. The total equalized assessed value of the proposed redevelopment project area has declined 3 of the last 5 years.

The blighting factors should prove that the site could become a detriment to the public safety, health, morals or welfare of the community in the event the industrial enterprise vacates the subject site.

Additional items for the application should include:

- Most recent property tax bills for the site
- Ownership structure for the entity that leases/ owns the facility (Organization Chart)
- Resumes of the Principals

Cook County Living Wage Ordinance

Per the Assessor's office, every applicant for this incentive will be required to provide an Incentive Class Living Wage Affidavit to confirm their compliance with the Cook County Living Wage Ordinance. The Cook County Assessor will not grant any request for incentive classification until it receives the required affidavit.

Chicago-Cook Workforce Partnership

All applicants must meet with the Chicago-Cook Workforce Partnership prior to application being presented the Cook County Economic Development Advisory Committee (EDAC).