COOK COUNTY BUREAU OF ECONOMIC DEVELOPMENT (CCBED)

Commit to Cook

Toni Preckwinkle
President
Cook County Board of Commissioners

Xochitl Flores, Bureau Chief

Our Mission is to foster economic development and job growth within Cook County. **Our Goal** is to strategically leverage resources and provide efficient professional management in order to promote: Sustainable community investment, business growth, attraction, and retention, affordable housing, regional planning and workforce development.

www.cookcountyil.gov/economicdevelopment

BUILT IN COOK LOAN PROGRAMS AND PRIVATE ACTIVITY BONDS

Background

The BUILT (Broadening Urban Investment to Leverage Transportation) in Cook Loan Program was developed by the administration of Cook County Board President Toni Preckwinkle to support economic development. The intent of the Loan Program is to promote economic development, stimulate job growth and improve public facilities while stabilizing the tax base of Suburban Cook County. All loan programs may have prevailing wage requirements (Davis-Bacon) and require applicants to meet with CCBED for an initial assessment.

BUILT in Cook Loan Program

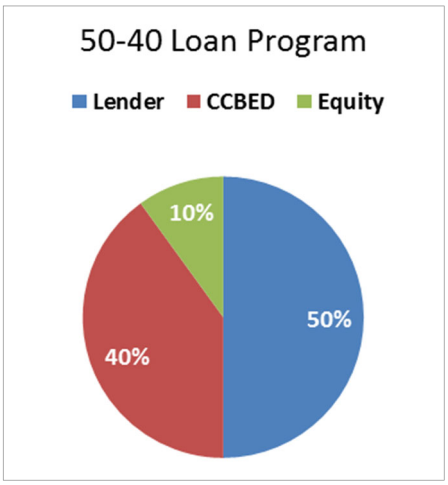
- The BUILT in Cook Loan Program will finance:
  - Transit-oriented, mixed use developments (TOD)
  - Cargo-oriented development near freight rail lines and terminals (COD)
  - Mixed-use hospitality/service sector projects
  - Business development loans.
- Company must be in business at least (3) years and/or show credit worthiness via a formal bank commitment for the 1st mortgage financing. Applicants must create and retain jobs and/or improve blighted areas.
- Loans may finance: acquisition, site preparation, construction/rehabilitation, machinery and equipment, infrastructure improvements and related soft costs.
- Minimum transaction is $500,000. Maximum amount is $5,000,000, or $35,000 per job created or retained, whichever is less. Maximum loan to value including the senior loan is 90%, and the maximum CCBED loan for any project cannot exceed 30% of total project costs.

Emerging Business Development Loan Program (EBDL)

- Applicants must be an enterprise that has been certified by Cook County as a minority and/or woman owned business or enterprise.
- Loans will typically be used to finance assets needed to provide construction, procurement or public services to public or institutional users.
- Loan amount per transaction is $35,000 to $500,000. Financing cannot exceed 50% of the total project costs. Technical assistance (accounting, legal, and/or business mentoring) may be required as a part of the approval.

BUILT 50-40 Loan Program

- The 50-40 Loan Program is targeted to small businesses in Suburban Cook County. The company must be in business at least (3) years and have proof of credit via a formal bank commitment.
- Loans may finance: acquisition, site preparation, construction/rehabilitation, machinery and equipment, infrastructure improvements and project related soft costs.
- Loan amount per transaction is $70,000 to $500,000, or $35,000 per full-time equivalent job created or retained, whichever is less. The program may only be used to finance up to 40% of total project costs. An equity contribution of 10% is required. Loans terms and amortization schedules shall be matched with the assets being financed by the program. Only one CCBED loan can be outstanding to the company and/or ownership group at any given time. Technical assistance (accounting, legal, and/or business mentoring) to support the loan may be required as a part of the approval.



Private Activity Bonds Program

- Cook County Bureau of Economic Development (CCBED) has the ability to issue tax-exempt Private Activity Bonds (PABs) on the behalf of companies located or planning to locate in Cook County. The PABs can be used by companies to finance qualified capital expenditures.
- The intent of the CCBED PAB program is to support job creation, retention, and affordable housing activities as it relates to in Cook County. The recommended minimum PAB amount is $1,500,000.
- The program requirements vary slightly based on the use of funds. Project specific requirements are discussed on a case-by-case basis, and require applicants to meet with CCBED for an initial assessment.

PROPERTY TAX INCENTIVES AND NO CASH BID

Background

Cook County Property Tax Incentives Programs encourage private business investment, employment, the revitalization of properties, and rehabilitation of landmark buildings. Programs are designed to assist business by providing a reduction in the assessment level over a period of time. All property tax incentive applications must have support and consent of the municipality in order to be considered.

With the exception of 6b SER, all projects must involve new construction, substantial rehabilitation, or the re-occupancy of abandoned property.

Class 6b

- Property used for industrial purposes
- Qualified properties will be assessed at 10% for 10 years, 15% for the 11th year, and 20% for the 12th year. Incentive may be renewed in year 10 for an additional 10 years.

Class 7a, 7b

- Property used for commercial purposes
  - 7a = projects at $2 million or less
  - 7b = projects exceeding $2 million
- Qualified properties will be assessed at 10% for 10 years, 15% for the 11th year, and 20% for the 12th year. Incentive may be renewed in year 10 for an additional 10 years.

Fox Motors Ground Breaking Ceremony, 2014

Class 7c Commercial Urban Relief Eligibility (CURE)

- Property used for commercial purposes
- Qualified properties will be assessed at 10% for 3 years, 15% for the 4th year, and 20% for the 5th year. Incentive may be renewed for an additional 5 years.

Class 8

- Properties may be commercial or industrial, and must be located in a distressed area or the following five townships: Bloom, Bremen, Rich, Thornton, Calumet.
- Qualified properties will be assessed at 10% for 10 years, 15% for the 11th year, and 20% for the 12th year. Incentive may be renewed in year 10 for an additional 10 years.

Class 6b Sustainable Emergency Relief (SER)

- Property must be used for industrial purposes and the company must have 10 years tenancy in the same location.
- Applicant must provide evidence of economic hardship
- Qualified properties will be assessed at 10% for 10 years, 15% for the 11th year, and 20% for the 12th year. Incentive may not be renewed.

Class 6b and 8 Temporary Emergency Economic Recovery Modification (TEERM)

- Properties must have been 100% vacant for 12 months with no change in ownership.
- Qualified properties will be assessed at 10% for 10 years, 15% for the 11th year, and 20% for the 12th year. Incentive may not be renewed.

No Cash Bid

- The No Cash Bid Program is a tool designed to assist municipalities and taxing bodies in the acquisition of tax delinquent properties, allowing the transformation of parcels through privately funded redevelopment and public works programs.
- Any city, village, township, and park district within the boundaries of Cook County, or the Cook County Forest Preserve District may submit a request to participate. Other applicants interested in the No Cash Bid Program will be "Third Party Requestors" to a request from one of the qualifying taxing districts previously noted.

For more information, please contact:

Susan Campbell, Director, Department of Planning and Development - 312.603.1036

susan.campbell@cookcountyil.gov

Meisha Holmes, Economic Development Program Manager - 312.603.1051

meisha.holmes@cookcountyil.gov

For the latest contract opportunities with Cook County government, please go to:

http://cookcountyil.gov/purchasing

Prepared by the Cook County Bureau of Economic Development
Department of Planning and Development
October, 2019