
**THE CITY OF BLUE ISLAND
COOK COUNTY, ILLINOIS**

**RESOLUTION
NUMBER 2015-015**

**A RESOLUTION FOR APPROVAL OF CLASS 8 REAL ESTATE
TAX INCENTIVE FOR THE BENEFIT OF DE LA ROSA
WHOLESALE, INC., FOR THE PROPERTY LOCATED AT 12157 S.
WESTERN AVENUE, BLUE ISLAND, COOK COUNTY, ILLINOIS
PURSUANT TO THE COOK COUNTY REAL PROPERTY
CLASSIFICATION ORDINANCE.**

**DOMINGO F. VARGAS, Mayor
Randy Heuser, City Clerk**

**1st Ward CHRISTINE BUCKNER
2nd Ward LETICIA VIEYRA
3rd Ward NANCY RITA
4th Ward MARCIA STONE
5th Ward JANICE OSTLING
6th Ward DEXTER JOHNSON
7th Ward NANCY THOMPSON**

**TOM HAWLEY
FRED BILOTTO
KEVIN DONAHUE
CANDACE CARR
KENNETH PITTMAN
JAIRO FRAUSTO
JAMES JOHANSON**

Aldermen

RESOLUTION NO. 2015-015

A RESOLUTION FOR APPROVAL OF CLASS 8 REAL ESTATE TAX INCENTIVE FOR THE BENEFIT OF DE LA ROSA WHOLESALE, INC., FOR THE PROPERTY LOCATED AT 12157 S. WESTERN AVENUE, BLUE ISLAND, COOK COUNTY, ILLINOIS PURSUANT TO THE COOK COUNTY REAL PROPERTY CLASSIFICATION ORDINANCE

WHEREAS, the City of Blue Island desires to promote the development and retention of industry in the City of Blue Island; and

WHEREAS, the Real Property Classification ordinance provides real estate tax incentives to property owners who build, rehabilitate, enhance and occupy property for industrial and/or commercial purposes; and

WHEREAS, De La Rosa Wholesale, Inc., will occupy the property and use the same for commercial purposes which will result in continued use of the existing building/s; and

WHEREAS, De La Rosa Wholesale, Inc., has or will file with the office of the Assessor of Cook County, an application to for the Class 8 classification under the Cook County Real Property Assessment Classification Ordinance, adopted by the Cook County Board of Commissioners on December 6, 1994, as amended; and

WHEREAS, the address of this property is 12157 S. Western Avenue, Blue Island, Illinois, and the permanent real estate index number of this property is 25-30-127-026, and the building has been vacant in excess of 24 months; and

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Blue Island, Cook County, Illinois, as follows:

SECTION ONE

The applicant De La Rosa Wholesale, Inc., (Applicant) is the purchaser of the property commonly known as 12157 Western Avenue, Blue Island, Illinois ("*Property*"). The Applicant intends to acquire said property for commercial use. The commercial use of the identified property is necessary and beneficial to the local economy of the City of Blue Island, Cook County, Illinois, and the City Council supports and consents to the renewal of the Class 8 status for the said property. The finding of necessity and benefit to the local economy and support and consent for Class8 renewal shall relate to the property legally identified by the following common address: 12157 S. Western Avenue, Blue Island, and PIN#:25-30-127-026.

The Council adopts and incorporates the findings and report of Kane, McKenna and

Associates, Inc., including the description of the Applicant's business or intended business, attached as Exhibit A hereto. The City of Blue Island also makes the following findings:

1. The City of Blue Island finds that existing commercial and industrial buildings with high taxes are likely to be vacant for a long period unless the city offers tax incentives.
2. The City of Blue Island finds that the Applicant will be occupying and operating an industrial property, creating employment and increasing economic benefits to the community and region.
3. The City of Blue Island finds that this project will not be financially feasible without the Class 8 incentive.
4. The City of Blue Island supports and approves the resolution based on the findings that the property is "abandoned."
5. The City of Blue Island supports and consents to this Class 8 application filing and that it finds Class 8 necessary for development to occur on the subject property.

SECTION TWO

The City of Blue Island, Illinois hereby supports and consents to the Applicant's Class 8 Application, and approves the classification of the subject property as a Class 8 property, finding that the incentive is necessary for the Applicant to purchase and reoccupy this vacant and abandoned property, creating employment and providing economic benefit to the community, and that without such designation the enterprise would not be economically viable.

The City supports and consents to the 8 Classification and finds that it is necessary for the rehabilitation and/or reutilization of the Property subject to and contingent upon the conditions, restrictions, and provisions set forth in this Section. Failure to meet these conditions may result in withdrawal of support of or non-renewal of the Class 8 classification.

- A. The Applicant shall acquire the Property and, upon execution of the purchase, deliver to the Mayor or his designee written evidence demonstrating that the Applicant has acquired the Property;
- B. The Applicant shall, to the greatest extent feasible, provide employment opportunities to local Blue Island residents and give priority in hiring to qualified residents of Blue Island. The Applicant must take every reasonable affirmative action to meet this condition and such affirmative action may include more than general solicitation of applicants or advertising employment opportunities. Such

affirmative action must include targeted solicitation and advertising specifically to local residents. If the Applicant is unable to meet this condition, the Applicant must submit to the Mayor or his designee proof demonstrating the affirmative action taken to comply with the "greatest extent feasible" requirement and explanation as to why such condition was unable to be met.

- C. The Applicant and/or proposed or future tenants shall develop, operate, and maintain the Property at all times in compliance with all codes and ordinances of the City.

SECTION THREE

This Resolution shall be in full force and effect from and after its adoption.

SECTION FOUR

The City Clerk shall forthwith transmit a certified copy of this Resolution to the Office of the Assessor of Cook County, Illinois, and to the business owners at the common address herein listed, and to such other parties in interest as required by law.

ADOPTED this 28th day of April, 2015, pursuant to a roll call vote as follows:

	YES	NO	ABSENT	PRESENT	ABSTAIN
Buckner-Cheatle			X		
Hawley	X				
Vieyra	X				
Bilotto	X				
Rita	X				
Donahue	X				
Stone	X				
Carr	X				
Ostling	X				
Pittman	X				
Johnson			X		
Frausto	X				
Thompson			X		
Johanson	X				
Vargas (Mayor)					
TOTAL	11		3		

APPROVED by the Mayor on April 28, 2015.

Domingo F. Vargas

 MAYOR OF THE CITY OF BLUE ISLAND,
 COUNTY OF COOK AND STATE OF ILLINOIS

ATTESTED and Filed in my office this

28th day of April, 2015.

Paul Hews

 CITY CLERK

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATION

I, RANDY HEUSER, DO HEREBY CERTIFY that I am the duly elected City Clerk of the City of Blue Island, Illinois and as such City Clerk of the City of Blue Island, Illinois, I am the keeper of the minutes and records of the proceedings of the City Council of said City and have in my custody the Resolutions and books of the records of said City.

I DO FURTHER CERTIFY that the attached and foregoing is a true and correct copy of that certain RESOLUTION: **A RESOLUTION FOR APPROVAL OF CLASS 8 REAL ESTATE TAX INCENTIVE FOR THE BENEFIT OF DE LA ROSA WHOLESALE, INC., FOR THE PROPERTY LOCATED AT 12157 S. WESTERN AVENUE, BLUE ISLAND, COOK COUNTY, ILLINOIS PURSUANT TO THE COOK COUNTY REAL PROPERTY CLASSIFICATION ORDINANCE.**

RESOLUTION NO. 2015 – 015 Which was adopted at a regular meeting of the City Council of the City of Blue Island **11** Aldermen were present; that at said meeting, on motion duly made and seconded that said Resolution do pass and upon the roll being called the vote of each Alderman present on the question of the passage of said Resolution was duly and separately taken by Ayes and Nays and his name and vote recorded in the minutes of the Proceedings of said City Council; that it appears from such recorded that **11** Aldermen Aye, **0** Aldermen Abstain, **3** Aldermen Absent and **0** Aldermen voted Nay.

I DO FURTHER CERTIFY that said Resolution was deposited in my Office on the **28th** day of **April, 2015**

I DO FURTHER CERTIFY that the original Resolution of which the foregoing is a true copy is entrusted in my care for safe keeping, and that I am the lawful keeper of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of the City of Blue Island aforesaid, at the said City in the County and State aforesaid, the **28th** day of **April, 2015**.

CORPORATE SEAL

City Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATION

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CORPORATE SEAL

City Clerk

MEMO

TO: Mark Miller

FROM: Robert Rychlicki
Kane, McKenna and Associates, Inc.

DATE: March 20, 2015

RE: Review of Proposed Class 8 Application – De La Rosa Wholesale, Inc.

The City of Blue Island (the "City") has requested Kane, McKenna and Associates, Inc. ("KMA") to review materials submitted by De La Rosa Wholesale, Inc. regarding a Cook County Assessment Class 8 application: 12157 Western Avenue – parcel number 25-30-127-026.

Under the current Cook County Class 8 program, assessment levels would be reduced from 25% to 10% for 10 years with a step up to 15% in year 11, 20% in year 12 and returns to full 25% in year 13 (this reduction includes property total valuation, and not restricted to rehab or new construction)

Currently the property is assessed at the 25% assessment level, and is not located in a TIF District.

The site consists of a 5,200 s.f. vacant building located on a 6,930 s.f. site.

Current 2013 taxes are \$14,778.42 based on an assessment of \$94,286. The applicant requests that the Class 8 initiative be applied to the vacant property. In addition, penalties accrue to the property tax bill based on delinquent taxes.

If the Class 8 is awarded the property taxes would be reduced by approximately 60% or to \$8,400 (this is based on an estimate of \$21,000 in tax liability assuming a purchase price of \$160,000 and \$30,000 of improvements).

The applicant requests the renewal for several reasons:

- a) Real estate taxes continue to rise in Cook County.
- b) The ability to continue operations in the City.

The operator employs 4 people currently and hopes to increase employment at the new location.

The renewal, if approved, would result in the following benefits to the City:

- a) Retained jobs.
- b) Occupancy of a vacant structure.
- c) Retention of a local business.

SANDRICK LAW FIRM LLC

RECEIVED

March 11, 2015

MAR 16 2015

BUILDING DEPT.

The Honorable Domingo F. Vargas
Mayor of Blue Island
City of Blue Island- City Hall
13051 Greenwood Avenue
Blue Island, IL 60406

Re: Request for Class 8 Incentive – De La Rosa Wholesale Inc.
Address: 12157 Western Ave., Blue Island
PIN: 25-30-127-026

Dear Mayor Vargas;

My Client, Rosa Delarosa of De La Rosa Wholesale, Inc. (De La Rosa), is in the process of purchasing the approximate 5,200 sq. ft. commercial building located in 12157 Western Ave., Blue Island. This building has been vacant in excess of 24 months and will be vacant at the time of closing. Thus, it qualifies for a Class 8 Incentive. We are therefore respectfully requesting that the Village of Blue Island issue a Resolution of Support for a Class 8 Property Tax Incentive recognizing that the sale is not viable without the Class 8 Tax Incentive benefits.

De La Rosa currently rents a 4,000 sq. ft. building at 13636 S. Western Ave., Blue Island. Because of the financial situation of the owner, she will need to vacate the subject and find a new space. The building at 12157 Western allows her to maintain the Blue Island presence as well as add additional space for her growing business. De La Rosa has a retail/general merchandise business. She currently has 4 employees and will hopefully add several additional employees at the new location within the next year.

Because the subject has been vacant for a significant amount of time, there is a certain amount of deferred maintenance that needs to be remedied. Ms. De La Rosa will invest approximately \$30,000 to address such items as upgrading plumbing and electrical service, and replace doors as well as interior renovation/construction.

As you are well aware, property taxes are a major concern for property owners and developers in the south suburbs, and the subject is no exception. Based on the purchase price of \$165,000 and the \$30,000 renovation budget, the underlying market value could be \$200,000. Without a Class 8 Incentive, the subject's taxes could increase to \$21,000 or \$4.00 psf. This is a crippling amount that no small business could sustain.

Class 8 application is based upon the location of the property in:

- 1) An area which has been certified for Class 8
- 2) One of the following townships: Bloom, Bremen, Calumet, Rich, or Thornton
- 3) Property obtained through the Cook County Tax Reactivation Program

Identification of Person Having an Interest in the Property

Attach a complete list of all owners, developers, occupants and other interested parties (*including all beneficial owners of a land trust*) identified by names and addresses, and the nature and extent of their interest. Rosa Delarosa 100% Owner

Property Use

Type of Development: Industrial or Commercial (Please circle)

General Description of Proposed Property Usage Retail/General Merchandise

Attach a detail description of the precise nature and extent of the intended use of the subject property, specifying in the case of the multiple uses the relative percentages of each use.

Attach legal description, site dimensions and square footage and building dimensions and square footage.

Include copies of materials, which explain the occupant's business, including corporate letterhead, brochures, advertising material, leases, photographs, etc.

Nature of Development

Indicate nature of proposed development by checking the appropriate space:

- New Construction (Read and Complete Section A)
- Substantial Rehabilitation (Read and Complete Section A)
Incentive only applied to the market value attributable to the rehabilitation
- Occupation of Abandoned Property - No Special Circumstance
(Read and Complete Section B)
- Occupation of Abandoned Property - With Special Circumstance
(Read and Complete Section C)
- Occupation of Abandoned Property - (TEERM Supplemental Application)
(Read and Complete Section C)

SECTION A (NEW CONSTRUCTION/SUBSTANTIAL REHABILITATION)

If the proposed development consists of *New Construction* or *Substantial Rehabilitation*, provide the following information:

Estimated date of construction

Commencement (*excluding demolition, if any*): _____

Estimated date of construction completion: _____

Attach copies of the following:

1. Specific description of the proposed *New Construction* or *Substantial Rehabilitation*
2. Current Plat of Survey for subject property
3. 1st floor plan or schematic drawings
4. Building permits, wrecking permits and occupancy permits (*including date of issuance*)
5. Complete description of the cost and extent of the *Substantial Rehabilitation* or *New Construction* (*including such items as contracts, itemized statements of all direct and indirect costs, contractor's affidavits, etc*)

IMPORTANT:

**WHEN CONSTRUCTION IS COMPLETED SUBMIT A CLASS 8 POST CONSTRUCTION APPLICATION
(ATTACHED)**

SECTION B (ABANDONED PROPERTY WITH NO SPECIAL CIRCUMSTANCE)

If the proposed development consists of the reoccupation of abandoned property, purchased for value, complete (1) and (2) below:

1. Was the subject property vacant and unused for at least 24 continuous months prior to the purchase for value?

YES NO

When and by whom was the subject property last occupied prior to the purchase for value?

Fayyaz Karim- Vacant 24+ months

Attach copies of the following documents:

- (a) Sworn statements from person having personal knowledge attesting to the fact and the duration of vacancy and abandonment
- (b) Information *(such as statements of utility companies)* which demonstrate that the property was vacant and unused and indicate duration of such vacancy

2. Application must be made to the Assessor prior to occupation:

Estimated date of reoccupation:	<u>Spring/Summer 2015</u>
Date of Purchase:	<u>Under Contract</u>
Name of purchaser:	<u>Rosa De La Rosa</u>
Name of seller:	<u>Fayyaz Karim</u>
Relationship of purchaser to seller:	<u>None</u>

Attach copies of the following documents:

- (a) Sale Contract
- (b) Closing Statement
- (c) Recorded Deed
- (d) Assignment of Beneficial Interest
- (e) Real Estate Transfer Declaration

SECTION C (SPECIAL CIRCUMSTANCES)

If the applicant is seeking special circumstances to establish that the property was abandoned for purposes of the Incentive where there was a **purchase for value**, but the period of *abandonment prior to purchase was less than 24 months*, complete section (1).

If the applicant is seeking special circumstances to establish that the property was abandoned for purposes of the Incentive where there was **no purchase for value**, but the period of **abandonment prior to the application 24 continuous months or greater**, complete section (2).

If the applicant is seeking special circumstances to establish that the property was abandoned for purposes of the Incentive where there was **no purchase for value**, but the period of **abandonment prior to the application was greater than 12 continuous months and less than 24 continuous month**, complete section (2) and the **TEERM Supplemental Application**.

1. How long was the period of abandonment prior to the purchase for value? _____

When and by whom was the subject property last occupied prior to the purchase for value?

Attach copies of the following documents:

- (a) Sworn statements from persons having personal knowledge attesting to the fact and the duration of the vacancy and abandonment
- (b) Information (*such as statements of utility companies*) which demonstrate that the property was vacant and unused and indicate duration of vacancy
- (c) Include the finding of special circumstances supporting "abandonment" as determined by the municipality, or the County Board, if located in an unincorporated area. *Also include the ordinance or resolution from the Board of Commissioners of Cook County stating its approval for less than 24-month abandonment period.*

Application must be made to the Assessor prior to the commencement of reoccupation of the abandoned property.

Estimated date of Reoccupation: _____
Date of purchase: _____
Name of purchaser: _____
Name of seller: _____
Relationship of purchaser to seller: _____

Attach copies of the following documents:

- (a) Sale Contract
- (b) Closing Statement
- (c) Recorded Deed
- (d) Assignment of Beneficial Interest
- (e) Real Estate Transfer Declaration

2. How long has the subject property been unused?

- 24 or greater continuous months (*Eligible for Special Circumstance*)
- 12 continuous months but less than 24 continuous months (*Eligible for Special Circumstance under TEERM*) - **Complete TEERM Supplemental Application**
- Less than 12 continuous months (*Not Eligible for Special Circumstance*)

When and by whom was the subject property last occupied prior to the filing of this application?

Attach copies of the following documents:

- (a) Sworn statements from persons having personal knowledge attesting to the fact and the duration of the vacancy and abandonment
- (b) Information (*such as statements of utility companies*) which demonstrate that the property was vacant and unused and indicate duration of vacancy
- (c) Include the finding of special circumstances supporting "abandonment" as determined by the municipality, or the County Board, if located in an unincorporated area. Also include the ordinance or resolution from the Board of Commissioners of Cook County stating its approval for lack of a purchase for value.

Application must be made to Assessor prior to the commencement of reoccupation of the abandoned property.

Estimated date of reoccupation: _____

EMPLOYMENT OPPORTUNITIES

How many construction jobs will be created as a result of this development? 4-7

How many new permanent full-time and part-time employees do you now employ in Cook County?

Full-time: 4 Part-time: _____

How many new permanent full-time jobs will be created as a result of this proposed development?

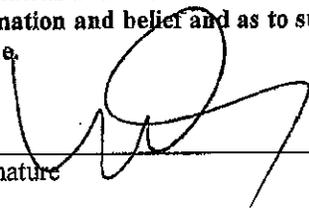
1-2

How many new permanent full-time jobs will be created as a result of this proposed development?

LOCAL APPROVAL

A certified copy of a resolution or ordinance from the municipality in which the real estate is located (or the County Board, if the real estate is located in an unincorporated area) should accompany this Application. The ordinance or resolution must expressly state that the municipality supports and consents to this Class 8 Application and that it finds Class 8 necessary for development to occur on the subject property. If a resolution is unavailable at the time the application is filed, a letter from the municipality or the County Board, as the case may be, stating that a resolution or ordinance supporting the Incentive has been requested may be filed with this application instead. If the applicant is seeking to apply based on the reoccupation of abandoned property and will be seeking a finding of "special circumstances" from the municipality, in addition to obtaining a letter from the municipality confirming that a resolution or ordinance supporting the Incentive has been requested, the applicant must file a letter from the County Board confirming that a resolution validating a municipal finding of special circumstances has been requested. If, at a later date, the municipality or the County Board denies the applicant's request for a resolution or ordinance, the applicant will be deemed ineligible for the Class 8 Incentive, whether or not construction has begun. In all circumstances, the resolution must be submitted by the time the applicant files an "Incentive Appeal".

I, the undersigned, certify that I have read this Application and that the statements set forth in this Application and in the attachments hereto are true and correct, except as those matters stated to be on information and belief and as to such matters the undersigned certifies that he/she believes the same to be true.



Signature

3/10/15

Date

Print Name

Title

**Note: If title to the property is held in trust or by a corporation or a partnership, this Class 8 Eligibility Application must be signed by a beneficiary, officer or general partner.*