

A RESOLUTION DETERMINING THE APPROPRIATENESS FOR CLASS 6B STATUS PURSUANT TO THE COOK COUNTY REAL PROPERTY CLASSIFICATION ORDINANCE AS AMENDED JULY 27, 2018 FOR CERTAIN REAL ESTATE LOCATED AT 5300 NEWPORT DRIVE, ROLLING MEADOWS, ILLINOIS

WHEREAS, the City of Rolling Meadows desires to promote the development of industry in the City of Rolling Meadows; and

WHEREAS, the Cook County Assessor is operating under an ordinance enacted by the Cook County Board of Commissioners, and amended from time to time, the most recent amendment becoming effective as of July 27, 2018, which has instituted a program to encourage industrial and commercial development in Cook County known as the Cook County Real Property Classification Ordinance; and

WHEREAS, VK 5300 Newport, LLC (the "Petitioner"), proposes to purchase a vacant and abandoned industrial property located at 5300 Newport Drive, Rolling Meadows, Illinois, with Property Index Number(s) 08-08-302-012/-013-0000 ("Subject Property"), legally described in Exhibit "A", attached hereto and made a part hereof; and

WHEREAS, the Petitioner has applied for or is applying for Class 6b property tax incentive under the Cook County Real Property Classification Ordinance and has indicated that a Class 6b real estate tax incentive is necessary to facilitate the purchase and rehabilitation of the Subject Property and subsequently identify and secure one or more appropriate industrial tenant(s); and

WHEREAS, the Petitioner has proven to the City Council of the City of Rolling Meadows that a Class 6b property tax incentive provided for in the Cook County Real Property Classification Ordinance is appropriate and necessary for development to occur on the Subject Property; and

WHEREAS, the City Council of the City of Rolling Meadows believes the proposed rehabilitation of the Subject Property will increase economic activity in the area of the facility, help to relieve conditions of unemployment by creating new employment opportunities, and stabilize or increase the tax base in the City of Rolling Meadows.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rolling Meadows, Cook County, Illinois:

Section 1: The facts and statements contained in the preambles to this Resolution are found to be true and correct and are hereby adopted as part of this Resolution.

Section 2: The City Council of the City of Rolling Meadows finds that a Class 6b property tax incentive is necessary for the development of the Subject Property and supports and consents to the Petitioner's filing of a Class 6b Application pursuant to the Cook County Real Property Classification Ordinance.

Section 3: The City Council of the City of Rolling Meadows finds that the Subject Property has been abandoned for less than 24 months and that special circumstances justify that the Subject Property is “abandoned” for purposes of a Class 6b property tax incentive, as outlined by the Petitioner and as set forth in substantially the form Exhibit “B”, attached hereto and made a part hereof.

Section 4: The City of Rolling Meadows Class 6b Property Tax Incentive Terms and Agreement (“Class 6b Agreement”), attached hereto as Exhibit “C” and made a part hereof, is hereby approved in substantially the form as attached hereto, and the City Manager is authorized to execute said Class 6b Agreement, with any changes to be approved by the City Manager and City Attorney.

Section 5: The Mayor is authorized to approve and execute this Resolution, with the Deputy City Clerk to attest, and any necessary documents to implement this Resolution, subject to the Petitioner completing certain improvements to the Subject Property within 365 days following the Petitioner taking ownership of the Subject Property, which improvements are set forth in Petitioner’s Class 6b Application and referenced in the Class 6b Agreement, and include the following:

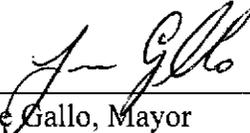
- a. Roof replacement;
- b. Interior demolition;
- c. Interior improvements; and
- d. Exterior improvements.

Section 6: That this Resolution shall be in full force and effect from and after its passage, approval and execution in accordance with law.

ADOPTED this 22nd day of February, 2022, by the City Council of the City of Rolling Meadows on a roll call vote as follows:

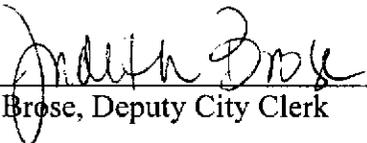
AYES: Bisesi, Reyez, Sanoica, McHale, Budmats, O’Brien, Vinezeano
NAYS: 0
ABSENT: 0

APPROVED this 9th day of March, 2023.



Joe Gallo, Mayor

ATTEST:



Judith Brose, Deputy City Clerk

Exhibit A
Legal Description

PARCEL 1:

LOT 15 IN ROLLING MEADOWS INDUSTRIAL CENTER, UNIT 1, A SUBDIVISION OF PART OF SECTIONS 7 AND 8, TOWNSHIP 41 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THAT PART OF SAID LOT 15, LYING SOUTH OF A LINE DESCRIBED AS: COMMENCING AT A POINT ON THE WESTERLY LINE OF SAID LOT, BEING ALSO THE EASTERLY LINE OF MEADOW DRIVE , 161.66 FEET, ARC MEASURE, SOUTHERLY OF THE NORTHWEST CORNER OF SAID LOT AND RUNNING TO A POINT ON THE NORTHEASTERLY LINE OF SAID LOT, 348.70 FEET SOUTHEASTERLY OF THE MOST NORTHERLY CORNER OF SAID LOT), IN COOK COUNTY, ILLINOIS.

PARCEL 2:

ALL THAT PART OF LOT 15 IN ROLLING MEADOWS INDUSTRIAL CENTER, UNIT 1, A SUBDIVISION OF PART OF SECTIONS 7 AND 8, TOWNSHIP 41 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF A LINE DESCRIBED AS: COMMENCING AT A POINT ON THE WESTERLY LINE OF SAID LOT, BEING ALSO THE EASTERLY LINE OF MEADOW DRIVE, 161.66 FEET, ARC MEASURE, SOUTHERLY OF THE NORTHWEST CORNER OF SAID LOT AND RUNNING TO A POINT ON THE NORTHEASTERLY LINE OF SAID LOT, 348.70 FEET SOUTHEASTERLY OF THE MOST NORTHERLY CORNER OF SAID LOT, AND LYING NORTHERLY OF A LINE DESCRIBED AS: COMMENCING AT SAID POINT ON THE WESTERLY LINE OF SAID LOT, 161.66 FEET SOUTHERLY, AS AFORESAID, AND RUNNING TO A POINT ON THE WEST LINE OF THE EAST 80.0 FEET, AS MEASURED AT RIGHT ANGLES, OF SAID LOT, 233.50 FEET SOUTH OF THE INTERSECTION OF SAID WEST LINE WITH THE NORTHEASTERLY LINE OF SAID LOT, IN COOK COUNTY, ILLINOIS.

Permanent Index Number (PIN): 08-08-302-012-0000 and 08-08-302-013-0000

Address of Real Estate: 5300 Newport Drive, Rolling Meadows, IL 60008-3702

Exhibit B

Special Circumstances

5300 Newport Drive, Rolling Meadows, IL 60008
PIN: 08-08-302-012/-013-0000

VK 5300 Newport (the "Applicant") will be the title holder of the above referenced property (the "Subject Property"), and is requesting a Resolution from the City of Rolling Meadows supporting and consenting to a Class 6b Tax Incentive for the Subject Property based on re-occupancy of vacant property for less than 12 continuous months vacancy with a purchase for value, special circumstances and substantial rehabilitation. The Subject Property has been 100% vacant and unused since April 2021, and will remain vacant and unused at the transfer of title.

The Subject Property is approximately 50 years old and currently consists of an approximately 63,150 square foot industrial building located on a 192,099 square foot site. The current structure features two (2) interior docks with levelers, a clear height of 18 feet, one (1) 14 foot drive in door, three oversized drive in doors measuring 24 feet by 15 feet, approximately eighty (80) car parking stalls and forty (40) truck parking stalls. The current facility is desirable to the Applicant based on its location and the Applicant's long and successful history of filling properties with high quality industrial tenants. As a result, the special circumstances exist which make the property extremely desirable to the Applicant, but less desirable to new businesses, or businesses without the experience necessary to develop or occupy the Subject Property.

However, the Subject Property is approximately 50 year old and in need of substantial renovation and redevelopment. In order for the Applicant to occupy and operate, it will need make various improvements including, but not limited to, a roof replacement, interior demolition and renovation, and exterior improvements. Without the incentive with special circumstances, the property is likely to sit vacant and unused until it achieves 12 continuous months vacancy required for the incentive without special circumstances. Based on the increasing Cook County tax burden, industrial properties without a tax incentive are at a distinct disadvantage, especially in Rolling Meadows.

The 2021 effective tax rate of 32.166% and Cook County's 25% level of assessment for Industrial properties puts a massive strain on any developer or tenant interested in the Property. By allowing the property to sit vacant for the additional months needed for reoccupation without special circumstances, the Village could lose over \$20,000 in property tax revenue.

Lastly, due to the unforeseen circumstances caused by the COVID-19 Virus, the Applicant needs the assistance and savings from the 6b tax incentive in order to substantially rehabilitate the property.

Exhibit "C"

City of Rolling Meadows Class 6B Property Tax Incentive Terms and Agreement

The Applicant shall perform the improvements stated in their submitted application and materials for a Class 6b property tax incentive under the Cook County Real Property Classification Ordinance (the "Work") upon the property located at 5300 Newport Drive, Rolling Meadows, IL 60008 (the "Subject Property") in accordance with the submitted plans and in full compliance with all applicable codes, ordinances, rules, regulations, permits, and plans imposed by the City, and shall complete the Work in a good and workmanlike manner. Notwithstanding the foregoing, the Applicant shall not be responsible for delays in the performance of its obligations hereunder caused by acts of God, inability to obtain labor or materials, pandemic, and other causes beyond the reasonable control of the Applicant, as the case may be. The Work shall include all building and landscaping alterations as proposed by the Applicant and stated on their corresponding Application Packet, in exchange for the City's support and consent of a Cook County Class 6b property tax incentive under the Cook County Real Property Classification Ordinance.

The Applicant will be issued a Letter of Receipt by the City upon submission of a completed Class 6b Application Packet. This letter may be used to inform the Cook County Assessor's Office that the City of Rolling Meadows is in receipt of the Applicant's request for a Cook County Class 6b property tax incentive. The Letter of Receipt is not a guarantee of final approval and the Applicant may move ahead with their project at their own risk.

The Letter of Receipt will serve as official notice that the Applicant is eligible for the incentive; however, final approval is not complete until there is an official Resolution passed and executed by the City. The Resolution will not be executed until such time all work proposed on the Class 6b Application is complete. The Applicant has 365 days from taking ownership of the Subject Property to complete all proposed alternations and submit a full accounting of costs. If costs are not approximately consistent with representations made in the original application, the Applicant may not be granted a final resolution of 6b approval and the City has the right not to approve and sign the Resolution.

This Agreement sets forth all the promises, inducements, agreements, conditions and undertaking between the Applicant and the City relative to the subject matter thereof, and there are no promises, agreements, conditions or understandings, either oral or written, expressed or implied, between them, other than as set forth herein. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties hereto unless authorized in accordance with the law and reduced in writing and signed by them.

In WITNESS WHEREOF, the parties hereto have executed this Agreement as set forth below:

City of Rolling Meadows
3600 Kirchoff Road
Rolling Meadows, IL 60008

VK 5300 Newport, LLC
5300 Newport Drive,
Rolling Meadows, IL 60008

Signed: _____
Name: J. Gille
Date: 3-15-2023

Signed: _____
Name: _____
Date: _____

Attest: Janeth Brock