

# VILLAGE OF HOMEWOOD



**BOARD AGENDA MEMORANDUM**

**DATE OF MEETING: August 13, 2024**

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**To:** Village President and Board of Trustees

**Through:** Napoleon Haney, Village Manager

**From:** Angela Mesaros, Director of Economic and Community Development

**Topic:** Cook County Class 8 Incentive – 17420 Halsted Street

## **PURPOSE**

The Village of Homewood and the Village of East Hazel Crest are working to facilitate the redevelopment of properties north of 175<sup>th</sup> Street, west of Halsted Street to allow for the construction of a casino, hotel, parking structure, and related infrastructure. Wind Creek LLC is the owner of the properties. The redevelopment agreement acknowledges that the developer intends to request a Cook County Class 8 Tax Incentive from the Office of the Assessor of Cook County, with Village support of the incentive.

The Village is being asked to approve a resolution supporting a Class 8 property tax designation for this property to make it feasible for the developer to construct and operate the proposed redevelopment. The Class 8 program encourages commercial development throughout Cook County by stimulating expansion, retaining existing businesses, and increasing employment opportunities.

## **PROCESS**

In June 2023, the Village Board approved a redevelopment agreement with Wind Creek LLC. The agreement acknowledges the developer's intent to request a Cook County Class 8 Tax Incentive with the Village's support.

The Cook County Assessor administers the Class 8 real estate tax incentive. The incentive is designed to encourage industrial and commercial development in areas experiencing economic stagnation. The Class 8 designation may be renewed during the last year in which a property is entitled to a 10 percent assessment level or when the incentive is still applied at the 15 percent or 20 percent assessment level, upon approval of the Village Board by passing a resolution consenting to the renewal.

The Cook County tax system has placed a heavy tax burden on commercial properties that must compete with the lower tax rates in adjacent counties and in Indiana where the property tax rate is as much as 45% less. Cook County has recognized the property tax issue for the Chicago Southland and created the Class 8 Cook County Tax Incentive Program. The program identifies

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five (5) Cook County townships that have automatic certification for the incentive; the subject property is located in Thornton Township, one of the five (5) designated townships.

### **OUTCOME**

With the Class 8 incentive, buildings for the casino project will be assessed at 10% of market value for 10 years, 15% in the 11th year and 20% in the 12th year. This is a significant reduction from the standard assessment level of 25% for industrial and commercial properties.

### **FINANCIAL IMPACT**

- **Funding Source:** N/A
- **Budgeted Amount:** N/A
- **Cost:** N/A

### **LEGAL REVIEW**

Completed

### **RECOMMENDED BOARD ACTION**

Pass a resolution supporting and consenting to a Class 8 Cook County tax classification for the property at 17420 Halsted Street owned by Wind Creek, LLC.

### **ATTACHMENT(S)**

Resolution