

SANDRICK LAW FIRM LLC

February 22, 2017

Mrs. Karie Friling
Director of Transportation, Engineering and Development
Village of Orland Park
14700 Ravinia Avenue
Orland Park, IL 60462

Re: Request for Class 6b Property Tax Incentive
Address: 10441 W. 163rd Place, Orland Park
PIN: 27-20-401-023
Client: MDG Consulting, LLC/Dave Musial/Four Seasons

Dear Karie,

Our client, MGD Consulting, LLC/Dan Musial/Four Seasons, is in the process of purchasing the approximate 8,500 square foot industrial building located at 10441 W. 163rd Place, Orland Park. This property was previously occupied by DT Group, LLC. Because the property will be vacant at Closing, it qualifies for Class 6b Property Tax Incentive. We are therefore respectfully requesting that the Village of Orland Park issue a Resolution supporting the 6b Property Tax Incentive for this property.

The building at 10441 W. 163rd Place will be purchased by an entity (MGD Consulting, LLC) and Four Seasons will operate their new southwest suburban location where they will fabricate their ductwork and house HVAC supplies. There will be 30 employees at this location. Fifteen (15) of the full-time employees are being relocated to this site while fifteen (15) new full-time employees will be hired within the first 30 days of occupancy. Four Seasons anticipates spending \$85,000 + in both interior and exterior improvements on such items including, but not limited to, a new roof, new asphalt and surface coating the entire interior.

Four Seasons has two other locations within the Chicago market, Bridgeview and Bedford Park. Their focus continues to be HVAC service and installation. They have over 575 employees currently and continue to grow. This potential acquisition will assist them in expanding their business in Cook County as well as the collar counties. They have looked further West, but believe this location would be optimal with a Class 6b Tax Incentive applied to the property.

Property taxes are a major concern for all business in Cook County and the subject is no exception. In 2015, the 10441 W. 163rd Place building had an assessed valuation of approximately \$119,708 that produced tax liability of approximately \$33,075. Based on vacancy relief, the total assessment would be reduced to \$39,260 with a tax of \$10,847.

Based on the proposed purchase price of \$450,000, and a Class 6b Incentive, the projected taxes would be \$12,500. Thus, granting the Class 6b Property Tax Incentive is revenue neutral compared to taxes being generated by a vacant building.

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Because the property will not be vacant in excess of 24 months prior to re-occupancy, the Cook County Classification Ordinance requires a finding of "Special Circumstances" in order to be eligible for a Property Tax Incentive. Special Circumstances are not defined, but are property specific. In this case, the subject's deferred maintenance as well as the condition of the exterior parking all qualifies as "Special Circumstances".

Because the 6b Incentive Resolution will require a finding of "Special Circumstances" to be eligible for Class 6b Property Tax Incentive, a second Resolution will be required from the Cook County Board of Commissioners. We will petition the Cook County Board subsequent to receiving the Resolution of Support from the Village of Orland Park.

We therefore are respectfully requesting that the Village of Orland Park issue a Resolution supporting a 6b Property Tax Incentive for the subject property, finding a "But For" the 6b Property Tax Incentive, this purchase and subsequent re-occupancy are not viable and "Special Circumstances" are present so as to waive the 24 month vacancy requirement.

We have enclosed a copy of the Class 6b application we will submit with the Assessor's office.

Should you need any more additional information of documentation, please feel free to give me a call. I thank you for your help and cooperation in this matter.

Sincerely,

~~SANDRICK LAW FIRM LLC~~

A handwritten signature in black ink, appearing to read 'A. Dotson', written over the crossed-out firm name.

Adam E. Dotson
Director of Economic Development

COOK COUNTY ASSESSOR
JOSEPH BERRIOS



COOK COUNTY ASSESSOR'S OFFICE
118 NORTH CLARK STREET, CHICAGO, IL 60602
PHONE: 312.443.7550 FAX: 312.603.6584
WWW.COOKCOUNTYASSESSOR.COM

CLASS 6B
ELIGIBILITY APPLICATION

Carefully review the Class 6B Eligibility Bulletin before completing this Application. For assistance, please contact the Assessor's Office, Development Incentives Department (312) 603-7529. This application, *a filing fee of \$500.00*, and supporting documentation (*except drawings and surveys*) must be filed as follows:

This application must be filed **PRIOR TO** the commencement of New Construction or **PRIOR TO** the commencement of Substantial Rehabilitation Activities or **PRIOR TO** the commencement of Reoccupation of Abandoned Property.

Applicant Information MGD Consulting, LLC / Dave Musial c/o

Name: Sandrick Law Firm, LLC Telephone: (312) 867-1515
Address: 16475 Van Dam Rd.
City: South Holland State: IL Zip Code: 60473

Contact Person (if different than the Applicant)

Name: Adam E. Dotson Telephone: (312) 867-1515
Address: 16475 Van Dam Rd.
City: South Holland State: IL Zip Code: 60473
Email: adotson@sbtaxlaw.com

Property Description (per PIN)

If you are applying for more than three different PINs, please submit the additional PIN information in an attachment.

Street Address: (1) 10441 W. 163rd Place
Permanent Real Estate Index Number: 27-20-401-023-0000
(2) _____
Permanent Real Estate Index Number: _____
(3) _____
Permanent Real Estate Index Number: _____
City: Orland Park State: IL Zip Code: 60638
Township: Orland Existing Class: 5-93

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

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. Dave Musial is the owner of MGD Consulting, LLC

Industrial Use

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. Fabrication/Warehousing/Office HVAC installation and service
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*)

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?

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: _____
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

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? 13 months

When and by whom was the subject property last occupied prior to the purchase for value?
DT Group, LLC vacated February 1, 2016

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:	<u>June 2017</u>
Date of purchase:	<u>Under contract</u>
Name of purchaser:	<u>MGD Consulting, LLC</u>
Name of seller:	<u>AINF, LLC</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

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: _____

TEERM SUPPLEMENTAL APPLICATION

(This form will ONLY be utilized for applicants who specifically elect for TEERM)

This supplemental eligibility application is for properties that have been abandoned (due to special circumstances) for at least 12 continuous months and less than 24 continuous months with no purchase taking place.

Under the TEERM Program, qualifying industrial real estate would be eligible for the Class 6B level of assessment from the date of substantial re-occupancy of the abandoned property. Properties receiving Class 6B will be assessed at 10% of market value for the first 10 years, 15% in the 11th year and 20% in the 12th year. The terms of this program are Not Renewable.

No applications will be taken after November 30, 2018.

I _____ applicant/representative hereby specifically elect to submit this **Supplemental Application** for the **TEERM** program.

Further affiant sayeth not.

Agent's Signature

Agent's Name & Title

Agent's Mailing Address

Agent's Telephone Number

Applicant's Name

Applicant's Mailing Address

Applicant's e-mail address

Subscribed and sworn before me this _____ day of _____, 20 _____

Signature of Notary Public

EMPLOYMENT OPPORTUNITIES

How many construction jobs will be created as a result of this development? 6-10

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

Full-time: 575 Part-time: 0

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

15

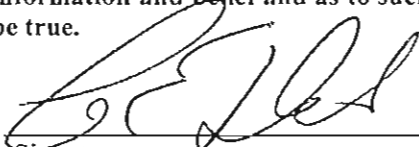
How many new permanent full-time jobs will be created as a result of this proposed development?

0

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 6B Application and that it finds Class 6B 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 6B 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

AARON E. DOTSON
Print Name

2/22/17
Date

DIRECTOR OF ECONOMIC DEVELOPMENT
Title

INCENTIVES CLASS LIVING WAGE ORDINANCE AFFIDAVIT

Dave Musial as agent for the applicant set forth below, who is seeking a classification incentive as referenced below, I do hereby state under oath as follows:

1. As the agent for the applicant set forth below, I have personal knowledge as to the facts stated herein.
2. The property identified by PIN(s) with commonly known address(es), listed in Exhibit A attached and herein incorporated, are/is the subject of a pending application/renewal (*circle as appropriate*) for one of the following development incentives provided by the Code of Ordinances of Cook County, Chapter 74, Article II, Division 2, The Cook County Real Property Assessment Classification Ordinance, Sec.74-60 et seq., as amended:

X Class 6B Class 8 (*Industrial property*) Class 9

3. I have reviewed the Code of Ordinances of Cook County, Chapter 34, Article IV, Division 1 and The Cook County Living Wage Ordinance, Sec. 34-127 et seq., as amended (*the "Ordinance"*), and certify that the applicant is in compliance with the above referenced Cook County Living Wage Ordinance, due to one of the following options (*check as appropriate*):

 Applicant is currently paying a living wage to its employees, as defined in the Ordinance.

OR

 Applicant is not required to pay a living wage, pursuant to the Ordinance.

Further affiant sayeth not.

Agent's Signature

Agent's Name & Title

Agent's Mailing Address

Agent's Telephone Number

Applicant's Name

Applicant's Mailing Address

Applicant's e-mail address

Subscribed and sworn before me this _____ day of _____, 20 _____

Signature of Notary Public

EXHIBIT A

(Please type or Print)

PIN(s)

27-20-401-023-0000

Common Address

10441 W. 163rd Place, Orland Park