



CLASS 7d

ELIGIBILITY BULLETIN

The Class 7d Incentive and Its Benefits

The Class 7d Incentive – “Food Desert,” codified at Section 74-63 (12) of the Cook County Real Property Assessment Classification Ordinance ("Ordinance") is intended to encourage the operation of grocery stores in areas where it would not be economically feasible without assistance. The twelve-year (12) incentive applies to Real Estate used for existing grocery stores, the expansion or renovation of a grocery store, new construction of a grocery store or re-use of vacant commercial space for a grocery store located in a “food desert.”

The Class 7d classification ordinance defines a “food desert” as a location lacking fresh fruit, vegetables, and other healthful whole foods, in part due to a lack of grocery stores, farmers’ markets or health food providers as defined in 20 ILCS 2310/2310-22 and that the location is included in the Illinois Department of Public Health’s – Illinois Food Deserts Annual Report.

The Class 7d classification ordinance defines a “grocery store” as a commercial retail business where: (a) the majority of the sales floor area that is open and accessible to the public is occupied by produce, food and beverage products, and household items that are packaged for preparation and consumption for daily living needs; (b) includes dedicated areas for the sale of meats, deli products, and fresh bakery goods; (c) at least 55% of its employee workforce is employed on a full time basis. The Class 7d classification ordinance defines a full-time employee shall be defined as any employee who works as average of at least 30 hours per week for more than 120 days in a year.

Projects which qualify for the Class 7d incentive will receive a reduced assessment level of ten percent (10%) of fair market value for the first ten (10) years and for any subsequent ten-year renewal period: if not renewed, fifteen percent (15%) for the eleventh (11) year and twenty percent (20%) for the twelfth (12) year. This incentive may only be renewed once. Section 74-64 (10). Without this incentive, commercial property would normally be assessed at twenty-five percent (25%) of its market value.

Where a grocery store qualifies for the incentive, the incentive will apply to the grocery store in its entirety, including the land upon which the grocery store is located.

Eligibility Requirements

1. The commercial retail business must be a “grocery store” which is defined as:
 - a. A commercial retail business where the majority of the sales floor that is open and accessible to the public is occupied by produce, food, and beverage products, and household items that are packaged for preparation and consumption for daily living needs; and

- b. The commercial retail business must include dedicated areas for the sale of full-service items including meats, deli products, and bakery department fresh bakery goods; and
 - c. The commercial retail business must employ at least 55% of its employees on a full-time basis. Full time employee is defined as any employee who works an average of at least 30 hours per week for more than 120 days in a year.
2. The Applicant must obtain from the municipality in which the real estate is located, or the County Board if the real estate is located in an unincorporated area, an Ordinance or Resolution expressly stating that the municipality or County Board, as the case may be, has determined that the incentive provided by Class 7d is necessary for the development or retention of a grocery store located in a food desert and the municipality or County supports and consents to the Class 7d application to the Assessor. In addition, the Ordinance or Resolution shall:
- a. Provide verification that the subject property is in a food desert according to the Illinois Department of Public Health's – Illinois Food Deserts Annual Report; and
 - b. State the applicant's intended use of the property as a grocery store as defined herein; and
 - c. State that an Economic Disclosure Statement, as defined in in Section 74-62, was received and filed by the municipality or County Board, as the case may be.

Application Procedures

An Eligibility Application for Class 7d, accompanied by supporting documentation, must be submitted to the Assessor, with a copy of the Eligibility Application and supporting documentation provided to the Bureau of Economic Development. At the time of filing the application, a filing fee of \$500.00 must be paid.

Upon receipt of the application and the necessary supporting data, the Bureau of Economic Development shall forward the application to the Economic Development Advisory Committee of the County for its review and a resolution in support of the Class 7d application. Upon receipt of a resolution in support of the Class 7d application, the Bureau of Economic Development shall forward the resolution to the Assessor. The Assessor shall review the application, supporting data, findings of the Committee and other appropriate facts to certify the grocery store eligible for Class 7d under the Ordinance. The Cook County Assessor's Office will not approve the Class 7d incentive until it is in receipt of the resolution or ordinance supporting and consenting to the Class 7d incentive.

During the term of the incentive, the Class 7d recipient must file an triennial affidavit attesting to the use of the property and the number of workers employed at the Class 7d site. The affidavit must be

verified and returned to the Assessor within twenty-one (21) days. Failure to file the triennial report within that time will result in the loss of the incentive.

The applicant may apply for one renewal on or after the tenth (10) year of the Incentive, but before the expiration of the twelfth (12) year of the Incentive. A renewal application must be filed, along with a certified copy of a resolution or ordinance adopted by the municipality in which the real estate is located (or by the County Board, if the property is located in an unincorporated area of Cook County) with the Cook County Assessor's office. The resolution or ordinance must expressly state that the municipality or County supports and consents to the renewal of the Class 7d incentive. The applicant must present such municipal resolution or ordinance to the Board of Commissioners of Cook County as to whether it will validate the renewal. The renewal will not be approved until the Cook County Assessor's Office is in receipt of the resolution or ordinance supporting and consenting to the renewal of the Class 7d incentive.