



POLICY STATEMENT TITLE: - VILLAGE OF SCHAUMBURG, COOK COUNTY, CLASS 6B TAX CLASSIFICATION POLICY

COW Approval: August 15, 1995/Revised: February 18, 2002; January 20, 2015; July 28, 2020

VB Approval Date: August 22, 1995/Revised: February 26, 2002; January 27, 2015; July 28, 2020

Statement: The following criteria will be used when considering requests for Cook County Class 6B Real Estate Tax Classifications (“Class 6B Classification”). The purpose of this incentive is to help the Village compete with other Cook County municipalities that offer the Class 6B Classification, and to compete with surrounding counties that have lower real estate tax rates, to encourage occupancy of vacant industrial space and attract new investment.

1. Class 6B Classification requests can be considered for all industrial uses locating in Schaumburg, moving within Schaumburg or for expanding their present facility within Schaumburg.
2. Class 6B Classification requests can be considered for industrial uses that have not received other forms of inducement from Schaumburg for the same project, such as industrial revenue bonds or Tax Increment Financing.
3. Class 6B Classification requests are required to pay a non-refundable application fee of \$500.00. This fee covers the cost of publication, notification and administrative costs of the Village. Additional fees may be required if the Village’s Director of Economic Development determines that it will be necessary to employ third party, non-Village employee consultants to review and analyze the application, and/or prepare reports or draft documents relative to the application or the approval thereof.
4. Class 6B Classification requests seeking to reoccupy a vacant or abandoned property can only be considered for projects that have been vacant for a minimum of 2 years, or a minimum of 6 months with “special circumstances”.
5. Class 6B Classification requests must provide evidence that the project would not be economically feasible without the Class 6B incentive.
6. Class 6B Classification renewal requests will be reviewed on a case-by-case basis and will only be considered if the applicant can demonstrate:
 - a. Significant employment and business growth through the creation of additional jobs at the facility and within Schaumburg during the life of the Class 6B Classification incentive and/or planned growth for the upcoming years.
 - b. Substantial capital expenditures at the facility which improves the building and raises the Equalized Assessed Value (EAV) of the property. Equipment costs and other improvements that do not add to the EAV will not be included as part of this requirement.
 - c. Ongoing community involvement and financial support for the time period during which the Class 6B Classification is applicable, provided to agencies including but not limited to the Schaumburg Business Association, Schaumburg Township Library District, Al Larson Prairie Center for the Arts, Schaumburg Park District, Harper College, School District 54, School District 211, the Golden Corridor Advanced Manufacturing Partnership and the Japanese Chamber of Commerce.
 - d. The need for an additional 12 years of reduced tax assessments.
7. Initial Class 6B Classification requests and renewal requests, relative to property located in a TIF District, will be reviewed on a case-by-case basis and will only be considered if the applicant can demonstrate the fulfillment of the additional criteria:

- a. Improvements to the property and/or building(s), at a value that shall result in an increase in the EAV of the property that is equal to or greater than 25% of the current EAV of the property within two years of the Class 6B Classification approval. Equipment costs and other improvements that do not add to the EAV will not be included as part of this requirement.
 - b. The EAV of the property after the completion of the proposed improvements shall be equal to or higher than the base EAV when the TIF District was established.
 - c. A minimum of 1 employee per 1,000 square feet of building space is required with an average salary equal to or greater than the Bureau of Labor Statistics current index for Cook County for the position the employee will hold.
8. Class 6B Classification second renewal requests will be reviewed on a case-by-case basis and will only be considered if the applicant can demonstrate significant investment that results in substantial economic impact.
9. Class 6B Classification renewal requests and initial requests for properties in a TIF district approved by the Schaumburg Village Board will be subject to a Development Agreement, which will be used to document the agreed upon capital expenditures, total number of employees and community involvement in order to receive continued support for the Class 6B incentive. The Development Agreement will also provide for the reimbursement of reasonable costs incurred by the Village of Schaumburg in processing the Class 6B Classification request, and provide limitation on the applicant's ability to challenge the EAV of the property during the time period which the Class 6B incentive is applicable.
10. In the event of failure to meet any of the employment, capital expenditure, community involvement requirements, or EAV challenge limitations; the Village of Schaumburg may impose penalties including but limited to and termination of the Class 6B Classification for the property and monetary repayments of previously received property tax savings.