Committee on Economic, Capital, and Technology Development
City Council Meeting
July 15, 2026

ORDINANCE

WHEREAS, Section 2-45-165 of the Municipal Code of Chicago establishes the procedures by which the City Council may consider and request revocation of tax incentives for development; and

WHEREAS, Section 2-45-165 does not cover the whole scope of reasons to revoke a tax incentive, and it is in the interest of the City to maintain proper oversight of the tax incentives within the City; and,

WHEREAS, An example resolution has been provided in Exhibit A to demonstrate the process by which the City Council may revoke a tax incentive via resolution; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

Section 1: The recitals to this Ordinance are incorporated into the Municipal Code of the City of Chicago as set forth herein.

Section 2: Section 2-45-165 of the Municipal Code of the City of Chicago is hereby amended by deleting the language struck through and inserting the language underscored, as follows;

2-45-165 Revocation of property tax incentives.

(a) Purpose and definitions.

(1) This section establishes the process and procedure for the City to exercise its authority under Section 74-73 of the Cook County Tax Incentive Ordinance, Classification System for Assessment, to request revocation of certain Cook County tax incentive classifications, including Class 6b; Class 6b (special circumstances); Class 6b TEERM; Class 6b SER; Class 6b CEERM; Class 7a; Class 7b; Class 7c; Class 7d; Class 8; Class 8 TEERM and Class 8 CEERM.

(2) For purposes of this section, "Committee" means the Committee on Economic, Capital and Technology Development.

(b) Notice. Following the referral to the Committee of a resolution calling for revocation of a property tax incentive, the Committee shall provide written notice to the applicable taxpayer. Such notice must: (i) include a copy of the filed resolution and the date of the hearing conducted pursuant to subsection (d) of this section, and (ii) be given to the applicable taxpayer no less than 15 days prior to any hearing conducted pursuant to subsection (d) of this section.

(c) Recommendation. The Commissioner shall review each proposed resolution calling for revocation of a property tax incentive and forward a recommendation on the proposal to the Committee before the Committee's public hearing.

(d) Hearing and final action. The Committee must hold a public hearing on all resolutions calling for revocation of property tax incentives in accordance with this section to afford the taxpayer or their representative an opportunity to be heard.

(e) Review and decision-making criteria. The act of revoking a property tax incentive is a legislative action that must be made in the best interests of the public health, safety, and general welfare, while also recognizing the rights of individual taxpayers. In reviewing and making decisions on proposed resolutions to revoke a property tax incentive, factors that the Committee may consider include, but are not limited to, the following:

(i) The circumstances outlined in Section 74-73 of the Cook County Code, and failure to comply with the requirements of Sections 74-71 or 74-72 of the Cook County Code;

(ii) Failure to adequately maintain or invest in the project in order to meet, or cause to be met, the stated redevelopment objectives or as otherwise required under any applicable redevelopment agreement between the City and the taxpayer;

(iii) Failure to submit any reports required to be submitted to the county or the City under applicable law or any redevelopment agreement between the City and the taxpayer;

(iv) An event of default under any applicable redevelopment agreement between the City and the taxpayer; ~~or~~

(v) Failure to comply with any applicable environmental laws or regulations if such environmental laws or regulations are considered in issuing the applicable tax incentive~~.~~;

(vi) Outstanding debts to the City or City sister agencies, including, but not limited to:

(1) Property Maintenance Liens
(2) Water Bills
(3) Municipal Fines
(4) Loss of required licenses or permits.

(vii) Property remaining vacant or substantially underutilized for a period of more than 12 months concurrently;

(viii) Failure to commence construction or redevelopment within required timeframes;

(ix) Repeated violations of the Municipal Code, Zoning Code, or Building Code; and/or,

(x) Fraud or material misrepresentation in obtaining the incentive.

(Omitted text not affected by this ordinance)

Section 3: This ordinance shall be in force and effect upon passage and publication.

Raymond A. Lopez
Alderman, 15th Ward