

GLENBROOK HIGH SCHOOL DISTRICT 225
Office of the Director of Business/CSBO
Regular Meeting Monday, August 10, 2015

TO: Dr. Michael Riggle
FROM: Vicki Tarver
DATE: August 10, 2015
RE: Discussion/Action: Village of Northbrook 6b Classification

Recommendation

The Village of Northbrook is asking for a letter of support that will be submitted as part of the application process. District 225 appreciates the opportunity to review and comment on Cook County Class 6b Program requests. After meeting with the Village of Northbrook Economic Development Committee and after careful review of the positive impact of this project upon District 225, it is recommended that the Glenbrook Board of Education support Bell Flavors and Fragrance's request for a Cook County Class 6b program tax incentive.

Background Information

Attached is a Village of Northbrook report regarding a request by Bell Flavors and Fragrances, for a Cook County Class 6b tax incentive. The request is relative to proposed new construction adjoining Bell's existing facilities located at 3200 Arnold Lane, Northbrook.

The Cook County Class 6b program is used primarily for commercial/industrial purposes for new construction, substantial rehabilitation, or occupation of abandoned properties. The Class 6b program reduces the property tax for industrial buildings for a period up to twelve years. The existing property at 3200 Arnold Lane currently has a Class 6b classification which began in 2007 and will expire in 2018. The County program does allow the applicant to file a new Class 6b application specific to new construction; including expansion.

Bell Flavors and Fragrances is proposing two additions to the existing facility. The expansion will allow for the addition of 25-30 new employees. With the Class 6b classification, the new construction would generate an estimated \$50K in additional property taxes to District 225 per year over the life of the 6b. This amount is based upon the estimated tax revenue for the new structure multiplied by the 2014 tax rate for District 225.

A Class 6b designation is renewable upon expiration of its initial term; however, Village of Northbrook's policy prohibits such renewals. As per the Village of Northbrook's general procedures, Class 6b tax incentive requests are forwarded for review and comment to the affected school and park districts. Although the Village of Northbrook Board of Trustees is solely responsible for granting a Class 6b incentive, the Village actively seeks input from the impacted taxing districts.

On August 5, 2015, a Special Meeting of the Northbrook Economic Development Committee was held to discuss the request by Bell Flavors and Fragrances for Village support of the Cook County Class 6b Classification for new construction at 3200 Arnold Lane. The committee discussed the long-range positive economic impact the new construction would create for the Village, including; adding to the overall tax base, increasing the value of the property, and creating jobs. The committee unanimously supported the recommendation to the Village Board regarding the request.



MEMORANDUM VILLAGE OF NORTHBROOK

DEVELOPMENT AND PLANNING SERVICES DEPARTMENT

TO: RICHARD A. NAHRSTADT, VILLAGE MANAGER
FROM: DAVID SCHOON, ASSISTANT DIRECTOR
DATE: July 28, 2015
SUBJECT: 3200 ARNOLD - BELL FLAVORS AND FRAGRANCES - CLASS 6B
REQUEST

Introduction

On July 28, 2015, the Board of Trustees will consider a request by Bell Flavors and Fragrances, Inc. (the "Applicant") as owner of the property at 3200 Arnold Lane (the "Subject Property") for the Board's approval of a resolution of support and consent for the Cook County Class 6b Classification for the Applicant's proposed building additions on the Subject Property. The Applicant is proposing two additions (15,000 – 20,000 square feet in total) to the approximately 80,000-square foot existing building on the Subject Property. (Note: In the Applicant's submittal, it also refers to the Subject Property as 501 Lindberg Lane, as the property is on the northeast corner of Arnold and Lindberg lanes.)

The Applicant has submitted a Class 6b Eligibility Application to Cook County to receive the 6b property tax classification on the added value that would result from the new construction on the Subject Property. The Applicant is seeking Board support for their request. The Village's Class 6b review process requires an initial review and comment step involving the Board of Trustees, followed by a 45-day comment period to allow for advisory comments from the ICDC, EDC and the school and park districts. After the review period, the Board may formally vote on the Class 6b request. The application materials submitted by the Applicant are attached to this report.

The Company

Bell Flavors and Fragrances develops flavors and fragrances for food, beverage, cosmetic, household care, personal care, oral care, and tobacco companies throughout the world. The company's Northbrook location is its world corporate headquarters.

The company continues to experience growth and needs to expand its operations, either here at its Northbrook facility or at available space at its Middletown, NY facility. The expansion would include a new dry blend area, a fragrance innovation center, and a culinary center. The Applicant estimates the new structural investment at the Northbrook facility to be approximately \$5 million.

The company currently employs 472 workers worldwide, with 179 of them in Northbrook. With its proposed expansion, the company plans to add 25-30 employees with annual salaries ranging from \$40,000 to \$80,000. The company provides its employees the following benefits: health, dental and vision insurance, a 401k and profit sharing programs, and provides paid vacation and sick time.

The Building

The Subject Property has history regarding the Class 6b program. On November 22, 2005, the Board of Trustees adopted Resolution No. 05-R-131 supporting approval of a Class 6b classification for the Missner Group on the Subject Property. At that point in time the Missner Group had no specific tenants for the building, which had been vacant for more than two years at that time. The Missner Group was going to buy the building and make an investment in the building in order to lease the site to one or two potential tenants. Though Trustees had reservations regarding approving the Class 6b incentive for a site with no specific tenants for the building, the Board did adopt the resolution with conditions. Following the Board approval of this resolution, the property remained vacant and the Missner Group had the building on the market for lease or sale.

In 2007, the Missner Group received an offer from Miltiades E. Bolaris to purchase the Subject Property in order to operate Granite America and a couple of his other businesses out of the Subject Property. Mr. Bolaris's purchase was contingent upon the Class 6b classification remaining in place on the property. Given that the Missner Group had only filed the Class 6b eligibility application and had yet to file and receive approval of the incentive appeal form to start receiving the actual Class 6b classification, Mr. Bolaris, as the new property owner, needed to submit a new eligibility application and appeal form with the County to receive the incentive. On February 13, 2007, the Village Board adopted Resolution No. 07-R-27 supporting and consenting to the Class 6b classification for Miltiades E. Bolaris (d/b/a Granite America) on the Subject Property. (Note: This resolution was adopted prior to the Village establishing new criteria for the Class 6b program, including requiring a separate agreement with the Village tying the Class 6b to a specific business(es) occupying a building.)

Due to the recession and its impacts on Mr. Bolaris's companies, Mr. Bolaris had to sell the building. In early 2011, the current Applicant, Bell Flavors and Fragrances, was looking to expand. With its existing facility located next door at 500 Academy Drive, the Applicant was interested in buying and expanding onto the Subject Property, but only if the Class 6b remained in place on the property. Since there was no agreement tying the Class 6b to a specific business and that the County generally views the Class 6b going with the property rather than the business, the Village did not object to the Applicant acquiring and continuing to receive the Class 6b incentive.

In speaking with the County Assessor's Office, the current Class 6b classification on the property officially started in 2007. This means that the Class 6b on the existing improvements will expire in 2018 (the last year of the incentive). While this existing Class 6b runs its course, the County program does allow the Applicant to file a new Class 6b application on just the new construction to the Subject Property.

The 6B Program

The Cook County Class 6b program reduces the overall property tax bill for industrial and warehouse buildings over the course of 12 years. Under the program, properties are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. In year 13, the property is assessed at the normal assessed value of 25% of market value.

Real estate is eligible for Class 6b status if it is used primarily for "industrial purposes" and is either (a) new construction, (b) substantial rehabilitation, or (c) occupation of "abandoned" property. The Applicant is applying under the new construction category, which means the lower assessment rates would apply to the only the added value resulting from the proposed new construction.

Village Procedures for Processing Class 6b Applications

Resolution No. 07-R-48, "Establishing Eligibility Guidelines and Procedures for Review and Approval of Cook County Class 6B Classification Requests" contains the Village's guidelines for considering a Class 6b request. The guidelines consist of three basic categories:

1. Economic & Fiscal Impacts of the Business on the Community (50% consideration)
2. Conditions of Existing Building/Site and Private Financial Contribution Compared to Public Assistance (30% consideration)
3. Quality of Jobs Created (20% consideration)

In addition, bonus consideration of up to 5% can be awarded due to environmental features of the proposed business. When the Village Board established these eligibility guidelines, they were adopted as general guidelines as a way for the Board to evaluate requests. The "consideration" percentages were provided as a means to weigh the three guidelines categories in terms of their importance to the Village Board. *Attachment A to this memo elaborates further as to how this request is consistent with the guidelines.* In addition, attached is a spreadsheet comparing the current request with previous Class 6b requests that past Village boards have considered.

The Village's general procedure for processing a County 6b tax incentive request provides impacted school districts (in this case, School Districts 27 & 225) as well as the Northbrook Park District and Library District with a 45-day time period to comment on the proposed request prior to the Board taking final action on the resolution of support. **Based upon this time schedule, we would hope to have the other taxing districts comments back and ready to present to the Board of Trustees at its September 8 meeting; possibly sooner depending upon when the other taxing bodies are able to meet and consider the request.** At that same meeting the Village Board would consider the resolution of support and consent. The Village's procedures also provide the ICDC and EDC an opportunity to comment on the proposed requests. Staff has already forwarded the application material along with this staff report to the other taxing districts, ICDC, and EDC for review during the month of August.

Property Tax Impact of Providing the Class 6b Incentive.

The following table summarizes the potential property tax savings to the Applicant from receiving the Class 6b property tax incentive. The first row assumes the County Assessor will assess the additional value based upon the Applicant's construction value for the addition, which is what the Applicant has assumed. The second row assumes the Assessor will assess the additional value based upon a per square footage value similar to that of the existing building that the Assessor currently has used, which is what staff has assumed. In the end, the value will probably be somewhere in between.

**Difference in Projected Property Taxes from the New Construction at 3200 Arnold Lane
Over the 12-Year Period of the Class 6b Schedule**

	Property Tax Obligation Without Class 6b	Property Tax Obligation With Class 6	Difference Between Property Tax Obligation Without & With Class 6b
All Taxing Districts – Assuming Added Value equals Construction Value	\$1,786,000	\$1,191,000	\$595,000
All Taxing Districts – Assuming Added Value Equal to Existing Value on a Square Footage Basis	\$322,000	\$214,000	\$108,000

The Board will need to decide if the incentive is appropriate to encourage the expansion of an existing Northbrook business.

Summary

Staff suggests that the Board of Trustees focus on the following questions in reviewing this request:

- 1 Does the Applicant's Class 6b request satisfy the general Cook County criteria for the approval of a Class 6b incentive involving new construction?
- 2 Does the Applicant's 6b proposal satisfy the general Village criteria for the approval of a 6b incentive?
- 3 Is the incentive appropriate to encourage the expansion of this Northbrook business in the community?

I, along with the Applicant, will be present at the July 28 meeting to answer any questions from the Board.



MEMORANDUM

VILLAGE OF NORTHBROOK

DEVELOPMENT AND PLANNING SERVICES DEPARTMENT

TO: RICHARD A. NAHRSTADT, VILLAGE MANAGER
FROM: DAVID SCHOON, ASSISTANT DIRECTOR
DATE: July 28, 2015
SUBJECT: 3200 ARNOLD- BELL FLAVORS AND FRAGRANCES - CLASS 6B REQUEST

On July 28, 2015, the Board of Trustees will consider a request by Bell Flavors and Fragrances, Inc. as owner of the property at 3200 Arnold Lane for the Board's approval of a resolution of support and consent for the Cook County Class 6b Classification for the Applicant's proposed building additions on the Subject Property. As I was preparing for my presentation at the July 28 Board meeting, I discovered an error in the Applicant's spreadsheet calculating estimated property taxes resulting from the added value of the new construction. I also discovered an error with a couple of numbers that had been transposed and then included in the materials sent to the Board. The following table includes the corrected information. I have also revised the staff report attachments and have attached revised copies of those documents with the changes highlighted.

**Difference in Projected Property Taxes from the New Construction at 3200 Arnold Lane
Over the 12-Year Period of the Class 6b Schedule**

	Property Tax Obligation Without Class 6b	Property Tax Obligation With Class 6	Difference Between Property Tax Obligation Without & With Class 6b
All Taxing Districts – Assuming Added Value equals Construction Value	\$3,572,900	\$1,607,800	\$1,965,100
All Taxing Districts – Assuming Added Value Equal to Existing Value on a Square Footage Basis	\$643,100	289,400	353,700

*District 225's percentage of the most recent tax bill (2014)
is 27%

ATTACHMENT A- REVISED
VILLAGE OF NORTHBROOK CLASS 6B ELIGIBILITY GUIDELINES
BELL FLAVORS & FRAGRANCES, INC.

ELIGIBILITY GUIDELINES	BELL FLAVORS & FRAGRANCES
ECONOMIC & FISCAL IMPACTS OF BUSINESS ON THE COMMUNITY (50% consideration) <i>Higher consideration to be given for:</i>	
1. Potential for future growth of <u>industry</u> .	<p><i>Industries –</i></p> <ul style="list-style-type: none"> <i>Spice & Extract Manufacturing (NAICS 311942)</i> <p><i>Bell Flavors and Fragrances has seen steady volume growth over the past 10 years and manufacturing has reached 80% of plant capacity, a point at which the company states that customer services begins to be a challenge. The company will expand in Northbrook or at the company's Middletown, NY facility.</i></p>
2. A greater increase in the assessed value of the property through the construction of building additions or making other significant improvements to the site.	<p><i>The applicant intends to invest \$5 million into its facilities, including a 15,000 to 20,000 square foot building expansion.</i></p>
3. Projects not requiring new public capital improvements. If public infrastructure improvements are necessary, a greater contribution by the developer for public infrastructure improvements.	<p><i>None required.</i></p>
4. A greater amount of sales tax base expansion.	<p><i>No direct sales tax base expansion.</i></p>
5. Businesses that have a history of contributing to their communities through volunteer work, financial contributions or other means. If a new start-up business, the business demonstrates its commitment to becoming involved in the community.	<p><i>The company states in its application that it has been a member of the Northbrook community for over 50 years and was honored in 2012 by the Village President with a resolution honoring the company's milestone of being in business for 100 years. They are also a member of the Chamber of Commerce.</i></p>
6. Start-up companies and expansions of existing local operations.	<p><i>Expansion of a local business.</i></p>

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VILLAGE OF NORTHBROOK CLASS 6B ELIGIBILITY GUIDELINES
BELL FLAVORS & FRAGRANCES, INC.

ELIGIBILITY GUIDELINES	BELL FLAVORS & FRAGRANCES
CONDITIONS OF EXISTING BUILDING /SITE AND PRIVATE FINANCIAL CONTRIBUTION COMPARED TO PUBLIC ASSISTANCE (30% consideration) <i>Higher consideration to be given for:</i>	
1. Buildings that have been vacant for two years or more.	<i>Not applicable, as the Applicant is apply for the Class 6 under the new construction criteria.</i>
2. Sites for which prior to applying for a Class 6b exemption, a vacancy appeal for the site has been granted by Cook County.	<i>Not applicable, as the Applicant is apply for the Class 6 under the new construction criteria.</i>
3. A property owner demonstrating that reasonable efforts have been made to market the property over time.	<i>Not applicable, as the Applicant is apply for the Class 6 under the new construction criteria.</i>
4. Sites that are difficult to lease or sell due to age, size, condition, or unique characteristics of the building.	<i>Not applicable, as the Applicant is apply for the Class 6 under the new construction criteria.</i>
5. Sites for which the purchase price of the property is market rate and is not the reason for needing a 6b incentive and for which deferred maintenance issues are not the reasons for needing the 6b incentive.	<i>Not applicable, as the Applicant is apply for the Class 6 under the new construction criteria.</i>
6. A greater ratio of investment (value of improvements to existing building) by the assisted business compared to amount of Class 6b relief.	<i>The Applicant plans to invest \$5,000,000 into its Northbrook facilities, and the Applicant estimates the Class 6b relief would provide a savings of approximately \$1,965,100 in taxes over a 12-year period resulting in an investment to Class 6b relief ratio of 2.54. (Note: Staff estimates the tax savings could be as low as \$353,700, resulting in an investment to Class 6b relief ratio of 14.14)</i>
7. A lower ratio of Class 6b relief compared to total annual payroll.	<i>The Applicant estimates the Class 6b tax savings would equal approximately \$1,965,100 over a 12-year period. The Applicant has stated its total annual payroll when employment expands to 25-30 new employees with an annual payroll for these new employees at approximately \$2.0 million resulting in a Class 6b relief to total annual payroll ratio of 0.98. (Note: Staff estimates the savings could be as low as \$353,700, resulting in a Class 6b relief to annual payroll ratio of 0.18)</i>

ATTACHMENT A- REVISED
VILLAGE OF NORTHBROOK CLASS 6B ELIGIBILITY GUIDELINES
BELL FLAVORS & FRAGRANCES, INC.

ELIGIBILITY GUIDELINES	BELL FLAVORS & FRAGRANCES
8. A greater ratio of value of improvements to the existing building to purchase price of the real property.	<i>Not applicable, as the Applicant is apply for the Class 6 under the new construction criteria.</i>
9. Quality of the case being made that the Class 6b is necessary for the project to move forward.	<i>The Applicant states in its application "The company is evaluating an expansion at their existing campus in Northbrook, IL or using available spaces in their Middleton, NY facility for a new Dry Blend operation, Fragrance Innovation Center and Culinary Center"... "Although expanding our Northbrook facilities to accommodate these growth requirement's is more costly than using existing space in New York, we prefer to have these operations at our Northbrook headquarters."</i>
QUALITY JOBS TO BE CREATED (20% consideration) <i>Higher consideration to be given for:</i>	
1. Higher wage rates.	<p><i>Average annual salary for new employees between \$40,000 and \$80,000. The company has informed staff that it provides the following employee benefits: health, dental and vision insurance, a 401k and profit sharing programs, and paid vacation and sick time.</i></p> <p><i>Estimated total annual payroll for new employees = \$2.0 million</i></p> <p><i>For comparison purposes:</i> <i>Cook County Living Wage with benefits = \$11.66/hr.</i> <i>(40 hrs/wk for 52 wks. = \$24,253)</i> <i>Cook County Living Wage without benefits = \$14.57/hr.</i> <i>(40 hrs/wk for 52 wks. = \$30,305.60)</i></p> <p><i>According to the Illinois Department of Employment Security, the median annual salary for all occupations in Cook County is approximately \$37,166, while the annual salary for experienced workers over all occupations in Cook County is approximately \$65,101.</i></p>
1. Full-time; long-term, non-seasonal positions.	<i>25-30 new full time employees.</i>
ENVIRONMENTAL IMPACT	

ATTACHMENT A- REVISED
VILLAGE OF NORTHBROOK CLASS 6B ELIGIBILITY GUIDELINES
BELL FLAVORS & FRAGRANCES, INC.

ELIGIBILITY GUIDELINES	BELL FLAVORS & FRAGRANCES
<p><i>(Bonus Consideration of up to 5%)</i> Higher consideration to be given for:</p>	
<ul style="list-style-type: none"> • The more environmentally sound the company's operation, including but not limited to: <ul style="list-style-type: none"> ○ Comprehensive energy and resource efficiency programs, including green buildings (e.g. LEED certification, binding energy efficiency commitments, etc.) ○ Comprehensive waste reduction, waste exchange, and recycling programs. 	<p><i>The Applicant states that they have worked with ComEd to comprehensively upgrade lighting in its facilities to improve energy efficiency.</i></p> <p><i>The Applicant recycles paper, printer cartridges, batteries, and old fluorescent lights and will be introducing a program to recycle cans and plastic bottles this year.</i></p>
<ul style="list-style-type: none"> • The more environmentally sound the company's products/services, including but not limited to: <ul style="list-style-type: none"> ○ Products/services that expand markets for recycled materials. ○ Development of renewable energy resources or products that conserve energy. 	<p><i>None identified.</i></p>
CLASS 6B GENERAL REQUIREMENTS & STANDARDS	
1. The proposal must satisfy all applicable Cook County criteria for the approval of a Class 6b incentive;	<i>Complies with basic criteria.</i>
2. The proposal must be consistent with the Comprehensive Plan and Strategic Plan for Economic Development	<i>The proposal complies with the existing zoning for the site, which is consistent with the Comprehensive Plan, and the proposal is consistent with Strategic Plan for Economic Development</i>
3. The applicant shall agree to develop, operate, and maintain the Subject Property in compliance with all codes and ordinances of the Village of Northbrook;	<i>Applicant agrees. Resolution consenting to Class 6b would include such a requirement.</i>
4. The Village shall not renew a Class 6b incentive after the initial 12-year 6b assessment time period has expired.	<i>Applicant has acknowledged this policy. Resolution consenting to Class 6b would include such statement.</i>
5. The Village's support of a particular Class 6b request shall be tied to a specific business(es) that will occupy the subject property and benefit from the Class 6b property classification.	<i>Complies. Resolution consenting to the Class 6b would include such a requirement.</i>

ATTACHMENT A- REVISED
VILLAGE OF NORTHBROOK CLASS 6B ELIGIBILITY GUIDELINES
BELL FLAVORS & FRAGRANCES, INC.

ELIGIBILITY GUIDELINES	BELL FLAVORS & FRAGRANCES
6. During the life of the Class 6b schedule, the applicant shall agree not to seek a property tax protest that would result in a property value less than the fair market value set by the Cook County Assessor's Office during the first year of the Class 6b schedule.	<i>Applicant has agreed. Resolution consenting to Class 6b would include such a prohibition.</i>
7. The Village shall require an agreement with the applicant setting the terms and conditions for Class 6b approval.	<i>Applicant has acknowledged. A separate agreement will outline the terms and conditions for the Class 6b property tax incentive.</i>

Revised - Current and Past Class 6b Applications
As of July 28, 2015

Business	Property Address	Year	Request Approved or Denied by Village	Type of Application	Project Status	Length of Vacancy of Building (In months)	Vacancy Appeal Granted Prior to 6b Request	Purchase Price of Real Property (Building & Land)	Building Floor Area (Existing Sq.Ft.)	Purchase Price Per Building Square Foot
Bell Flavors/Fragrances	3200 Arnold Lane	2015	In Process	New Construction	In Process	NA	NA	NA	20,000 (addition only)	NA
TZAM Diagnostics	1880 Holste	2014	Approved	Abandoned Property	Applicant has acquired property.	45	Yes	\$ 750,000	21,708	\$ 34.55
MicroLink Devices	300 Wainwright	2011	Approved only Substantial Rehabilitation	Abandoned Property and Substantial Rehabilitation	Applicant did not occupy building; Building now occupied	<4	No	\$ 2,070,000	41,453	\$ 49.94
Nestle USA (lessee)	885 Sunset Ridge	2010	Approved	Substantial Rehabilitation - Incentive Only on Added Improvements	Incentive transferred to Barilla, who will occupy building.	<10	Yes	\$ 4,073,541	74,626	\$ 54.59
Granite America/(Bell Flavors)	3200 Arnold Lane	2007	Approved	Abandoned Property and Substantial Rehabilitation	Bell Flavors purchased building in 2011	37+	Yes	\$ 3,412,500	84,600	\$ 40.34
Panek Precision Products	455 Academy Lane	2006	Approved	Abandoned Property and Substantial Rehabilitation	Applicant occupying building	13	No	\$ 2,950,000	106,000	\$ 27.83
International Derivatives	2300 Carlson Drive	2006	Approved	Abandoned Property and Substantial Rehabilitation	Applicant occupying building	> 24	No	\$ 1,850,000	16,283	\$ 113.62
Genesis Technologies	2942 MacArthur Blvd.	2006	Approved	Abandoned Property and Substantial Rehabilitation.	Applicant occupying building	20	Significant	\$ 2,934,000	49,700	\$ 59.03
Highland Baking	2301 Shermer Road	2006	Approved	Abandoned Property and Substantial Rehabilitation.	Applicant occupying building	0	No	\$ 8,000,000	250,000	\$ 32.00
Diversified Metal Products	2205 Carlson Drive	2006	Denied	Renewal	Applicant occupying building	NA - Renewal	NA	NA	26,000	NA
Wittek Golf Supply	3865 Commercial Ave.	2006	Denied	Abandoned Property	Applicant did occupy building	6	No	\$ 1,800,000	36,000	\$ 50.00

NA - Not applicable

A blank means the information is not available

Abandoned property - lower assessment on entire property value

Substantial rehabilitation - lower assessment applies only on added value to property

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Revised - Current and Past Class 6b Applications
As of July 28, 2015

Business	Property Address	Projected Property Tax Savings for Applicant (Comparing w/ 6b to w/out 6b)	Projected Value of Improvements to Existing Building(1)	Projected Number of Full-Time Jobs	Average Hourly Wage or Annual Salary	Estimated Total Annual Payroll	Projected Class 6b Relief per Job	Ratio of Value of Building Improvements to Property Tax Savings	Ratio of Value of Improvements to Existing Building to Purchase Price of Real Property	Ratio of Class 6b Relief Compared to Total Annual Payroll
Bell Flavors/Fragrances	3200 Arnold Lane	\$ 353,700	\$ 5,000,000	25-30 (new jobs only)	\$40,000 to 80,000 (new jobs only)	\$2,000,000 (new jobs only)	\$11,790 to \$14,148	14.14	NA	0.18
TZAM Diagnostics	1880 Holste	\$ 263,658	\$ 300,000	20	\$ 60,000	\$ 1,200,000	\$ 13,183	1.14	0.40	0.22
MicroLink Devices	300 Wainwright	\$ 811,600	\$ 3,000,000	75	\$65,000 to \$70,000	\$ 4,500,000	\$ 10,821	3.70	1.45	0.18
Nestle USA (lessee)	885 Sunset Ridge	\$ 1,914,000	\$ 15,000,000	168	\$ 110,000	\$ 18,480,000	\$ 11,393	7.84	3.68	0.10
Granite America/(Bell Flavors)	3200 Arnold Lane	\$ 1,314,000	\$ 600,000	11	\$14,40 to \$48.00		\$ 119,455	0.46	0.18	
Panek Precision Products	455 Academy Lane	\$ 1,135,400	\$ 1,400,000	135	\$ 14.20	\$ 3,987,360	\$ 8,410	1.23	0.47	0.28
International Derivatives	2300 Carlson Drive	\$ 712,000	\$ 1,000,000	20			\$ 35,600	1.40	0.54	
Genesis Technologies	2942 MacArthur Blvd.	\$ 1,129,000	\$ 1,600,000	65	\$ 49,000	\$ 3,185,000	\$ 17,369	1.42	0.55	0.35
Highland Baking	2301 Shermer Road	\$ 4,500,000	\$ 7,000,000	360	\$ 16.00	\$ 11,980,800	\$ 12,500	1.56	0.88	0.38
Diversified Metal Products	2205 Carlson Drive		NA	17			NA	NA	NA	
Wittek Golf Supply	3865 Commercial Ave.	\$ 680,000		40	\$ 16.00	\$ 1,331,200	\$ 17,000		-	0.51

NA - Not applicable

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P:\EDIED Projects\6b's\3200 Arnold Ln - 6B\Bell Flavors - Addition 2015\7-28-15 BOT\7-28-15 Memo - Revised Calculations\Prep\Summary of Projects - Revised

**Revised - Current and Past Class 6b Applications
As of July 28, 2015**

Business	Property Address	Year	Request Approved or Denied by Village	Type of Application	Project Status	Length of Vacancy of Building (in months)	Vacancy Appeal Granted Prior to 6b Request	Purchase Price of Real Property (Building & Land)	Building Floor Area (Existing Sq.Ft.)	Purchase Price Per Building Square Foot
Speculative Building (The Misner Group)	3200 Arnold Lane	2005	Approved	Abandoned Property	See Granite America	25		\$ 2,725,000	84,600	\$ 32.21
Nestle Waters North America	310 Huehl Road (31,400 sq.ft. of 71,000 sq.ft. bldg.)	2004	Approved	Substantial Rehabilitation - Incentive Only on Added Improvements	Applicant occupying building	> 24		Lease	31,400	Lease
Revell-Mongram	725 Landwehr Road	2003	Approved	Abandoned Property & Substantial Rehabilitation	Applicant vacated building. Building now occupied by Others.	20	Significant	\$ 8,000,000	166,000	\$ 48.19
Bell Flavors	500 Academy Drive	1998	Approved	Enlarge an Existing Building	Incentive expired. Applicant occupying building	NA	NA	NA		
Pylon Tools	1855 Holste Road	1998	Tabled by Applicant	Enlarge an Existing Building	NA	NA	NA	NA		
Bernhard Woodwork	3670 Woodhead Drive	1997	Approved	Enlarge an Existing Building	Incentive expired. Applicant occupying building	NA	NA	NA		
Gold Realty	1000 Sunset Ridge	1997	Approved	Refurbish an Existing Building. Application denied by County because not all PINS were industrial.	Site Approved for Senior Housing Project					
Diversified Metal Products	2205 Carlson Drive	1996	Approved	New Building	Incentive expired 2007 Applicant occupying building	NA - New building	NA	NA	26,000	NA
Institutional Foods Packaging	2900 Shermer Road	1995	Approved	New Building	Incentive expired 2006 Building most recently occupied by Tasty Breads	NA - New building	NA	NA		NA
Rose Group	3411 Commercial Drive	1995	Withdrawn	Refurbish an Existing Building	NA					

NA - Not applicable

A blank means the information is not available

Abandoned property - lower assessment on entire property value

Substantial rehabilitation - lower assessment applies only on added value to property

P:\EDIED Projects\6b's\3200 Arnold Ln - 6B\Bell Flavors - Addition 2015\7-28-15 BOT\7-28-15 Memo - Revised Calculations\Prep\Summary of Projects - Revised

Revised - Current and Past Class 6b Applications
As of July 28, 2015

Business	Property Address	Projected Property Tax Savings for Applicant (Comparing w/ 6b to w/out 6b)	Projected Value of Improvements to Existing Building(1)	Projected Number of Full-Time Jobs	Average Hourly Wage or Annual Salary	Estimated Total Annual Payroll	Projected Class 6b Relief per Job	Ratio of Value of Building Improvements to Property Tax Savings	Ratio of Value of Improvements to Existing Building to Purchase Price of Real Property	Ratio of Class 6b Relief Compared to Total Annual Payroll
Speculative Building (The Misner Group)	3200 Arnold Lane	\$ 520,000	\$ 1,100,000	NA	NA	NA	NA	2.12	0.40	
Nestle Waters North America	310 Huehl Road (31,400 sq.ft. of 71,000 sq.ft. bldg.)	\$ 545,000	\$ 1,300,000	45	\$ 21.75	\$ 2,035,800	\$ 12,111	2.39	NA	0.27
Revell-Mongram	725 Landwehr Road	\$ 3,360,000		160		\$ -	\$ 21,000			
Bell Flavors	500 Academy Drive									
Pylon Tools	1855 Holste Road									
Bernhard Woodwork	3670 Woodhead Drive									
Gold Realty	1000 Sunset Ridge									
Diversified Metal Products	2205 Carlson Drive									
Institutional Foods Packaging	2900 Shermer Road									
Rose Group	3411 Commercial Drive									

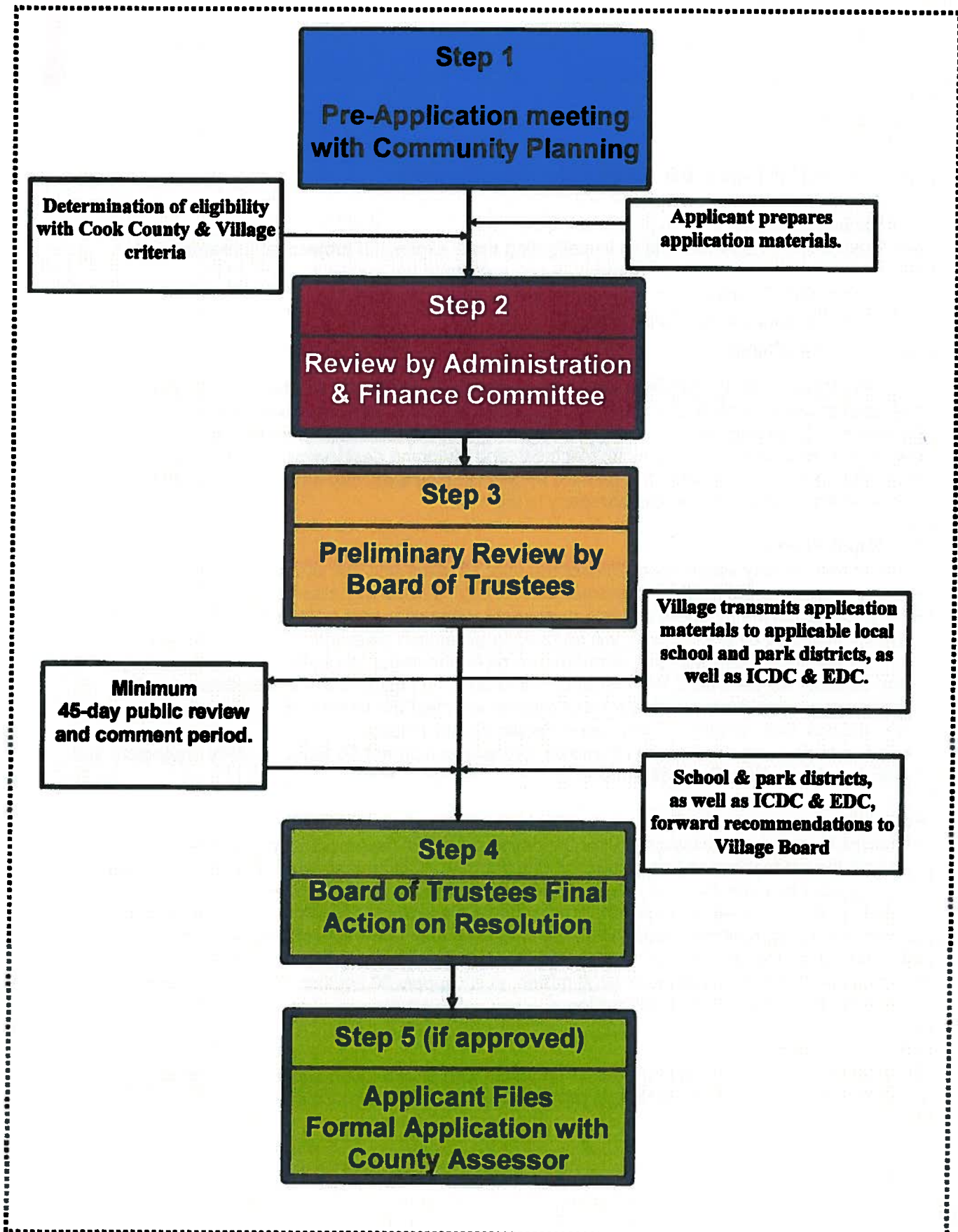
NA - Not applicable

A blank means the information is not available

Abandoned property - lower assessment on entire property value

Substantial rehabilitation - lower assessment applies only on added value to property

Prepared Projects 6b's 3200 Arnold Ln - 6B Bell Flavors - Addition 2015 17-28-15 BOT 17-28-15 Memo - Revised Calculations Prep Summary of Projects - Revised





Bell Flavors & Fragrances, Inc.
500 Academy Drive
Northbrook, IL 60062

Toll Free: 800-323-4387
Phone: 847-291-8300
Fax: 847-291-1217

info@bellff.com
www.bellff.com

July 14, 2015

Cook County Class 6B Eligibility Application

Project Descriptions

Bell Flavors and Fragrances Inc. is investigating three expansion projects at its Northbrook facility:

- Dry Blend Project.
- New Fragrance Innovation Center.
- Culinary Center

For the first two projects, contracts are in place with DLM Architects Ltd. and Middough Inc. for engineering design work leading to permit drawings and contractor bid documents. DLM Architects Ltd. is responsible for civil, structural, and architectural design work. Middough is responsible for process, mechanical, electrical, and plumbing design work. Permit drawings should be ready later this month. The third project is in the early design phase and Bell is working with SO2 Inc., a specialist design company in this field.

Dry Blend Project

Bell has seen steady volume growth over the past 10 years and manufacturing has reached 80% of plant capacity, a point where customer service begins to be a challenge. A new dry blend facility, located in the Lindberg building or at another site, is proposed to resolve this. The space currently occupied by dry blending will be used to expansion other manufacturing activities. The new dry blend plant will have separate rooms for the larger blenders and overall our dry blend capacity will be tripled. We will purchase some new equipment and renovate/relocate existing equipment. A new dust extraction system will meet the latest OSHA regulations on organic dusts. Bulk handling of key raw materials will be included.

Budget cost: Building construction \$1million, process equipment \$0.5million, utility equipment and installation \$0.5million. Total \$2.0million.

Fragrance Innovation Center

Bell plans to install a new laboratory for the development of fragrances. A plan already exists to renovate the ice building at Middletown for this purpose. If located at Northbrook, the laboratory will be located in a new two story expansion on the west side of the Lindberg building. The building will feature a two story atrium overlooking a glass fronted creative laboratory as the primary feature for customer visits. DLM has prepared floor plans and an exterior elevation which will serve as the basis of design for the project.

Budget cost: Building construction \$2.75million, utility supply \$0.5million, laboratory furniture and equipment \$0.5million. Total \$3.75million.

Culinary Center

Bell plans to install a new culinary center complete with presentation kitchen for "chef to chef" presentations of culinary products in a renovation of one of the condos on Doolittle Drive. Budget cost: \$0.5million.



Bell Flavors & Fragrances, Inc.
500 Academy Drive
Northbrook, IL 60062

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Fax: 847-291-1217

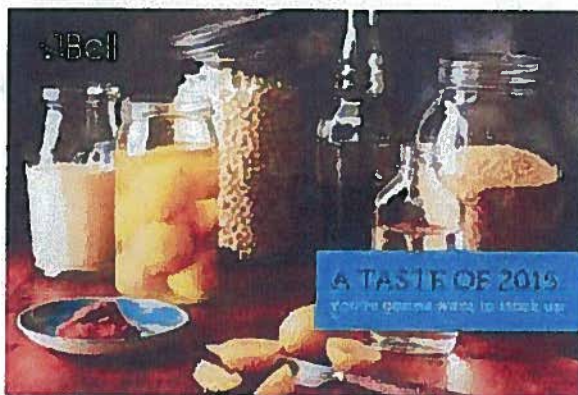
info@bellff.com
www.bellff.com

Identification of Person Having an Interest in the Property

Bell Flavors and Fragrances, Inc. is 100% owner of New Construction property at 3200 Arnold Ln and 501 Lindberg on the headquarters campus that is based adjacent to the subject property at 500 Academy Drive in Northbrook, IL 60062.

Industrial Use

Here are a few product pictures for industrial use of new building with spices, tomato flavors, etc.



ALTA/ACSM LAND TITLE SURVEY



NORTHBROOK
Shopping Center

ORDER No. 051098 (Z)
FORGED BY MARTIN & BARCAZZI

**DLM ARCHITECTS
LTD.**

DLM ARCHITECTS LTD
5500 W. TOWN, SUITE 170, ARLING, IL 60014
Telephone: 847 763 1418 Fax: 847 763 1814
• ARCHITECTS • PLANNING • DESIGNERS

**BELL FLAVORS
500 N ACADEMY DRIVE
NORTHBROOK, ILLINOIS**

**2015 BUILDING EXPANSION
501 LINDBERG LANE
NORTHBROOK, ILLINOIS**

Ref.	Ques	Resp	Gr
3	3-13-12	IN PROGRESS 227	
2	3-10-12	CLERK 22407	
1	3-7-12	CLERK 22407	

PRELIMINARY ARCHITECTURAL SITE PLAN

AS-1

LAC _____ AS-1 _____
Drawing Number Sheet Number

DLN

AS NOTED

08-10-2014

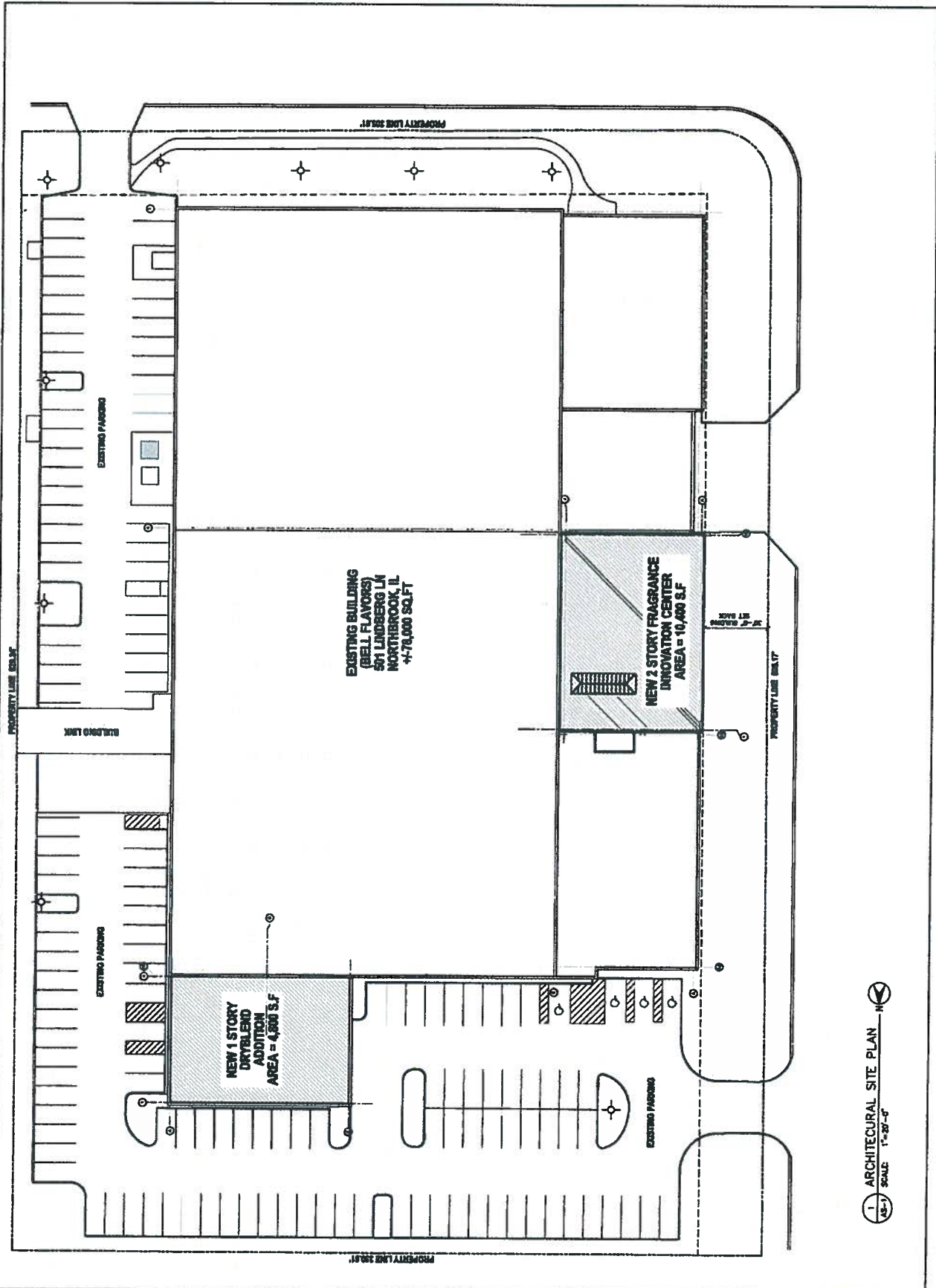
19-111

ending by
 11-11-11

1000

Abstract The purpose of this study was to determine the effect of a 12-week, low-intensity, supervised walking program on the physical and psychological health of sedentary, middle-aged women. The study was a randomized, controlled trial. The subjects were 40 sedentary, middle-aged women who were randomly assigned to either a walking program or a control group. The walking program consisted of 12 weeks of supervised walking, 3 times per week, at a pace of 3.0 to 3.5 miles per hour. The control group consisted of 20 women who did not participate in the walking program. The physical and psychological health of the women was assessed at baseline and at 12 weeks. The results of the study showed that the walking program had a positive effect on the physical and psychological health of the women. The women in the walking program showed significant improvements in cardiovascular fitness, weight, and mood compared to the control group. The results of this study suggest that a 12-week, low-intensity, supervised walking program can be an effective intervention for improving the physical and psychological health of sedentary, middle-aged women.

THE UNIVERSITY OF CHICAGO



PROPERTY: 1000 1000 1000

WANT TO GET IT?

Continuing Education

**NEW 1 STORY
DRYBLEND
ADDITION
AREA = 4,800 S.F.**

**EXISTING BUILDING
(BELL FLAVORS)
501 LINDBERG LN
NORTHBROOK, IL
+78,000 SQ.FT**

**NEW 2 STORY FRAGRANCE
INNOVATION CENTER
AREA = 10,400 S.F.**

ENDING PAGE

PROPERTY LINE

1 ARCHITECTURAL SITE PLAN
AS-1 SCALE: 1"=20'-0" N

DLM ARCHITECTS LTD.

DLM ARCHITECTS LTD.
500 N. VANDERBILT AVENUE, SUITE 1700, CHICAGO, IL 60611
Tel: (312) 329-1100 Fax: (312) 329-1101
• RESIDENTIAL • COMMERCIAL • INDUSTRIAL

BELL FLAVORS
500 N ACADEMY DRIVE
NORTHBROOK, ILLINOIS

2015 BUILDING EXPANSION
501 LINDBERG LANE
NORTHBROOK, ILLINOIS

NO.	DATE	DESCRIPTION
1	12-14-10	10% PRELIMINARY SET
2	12-14-10	20% PRELIMINARY SET
3	12-14-10	30% PRELIMINARY SET
4	12-14-10	40% PRELIMINARY SET
5	12-14-10	50% PRELIMINARY SET
6	12-14-10	60% PRELIMINARY SET
7	12-14-10	70% PRELIMINARY SET
8	12-14-10	80% PRELIMINARY SET
9	12-14-10	90% PRELIMINARY SET
10	12-14-10	100% PRELIMINARY SET

GENERAL FLOOR PLAN

GA-1

LAC

Drawn By

DLM

Checked By

AS NOTED

Date

04-10-2014

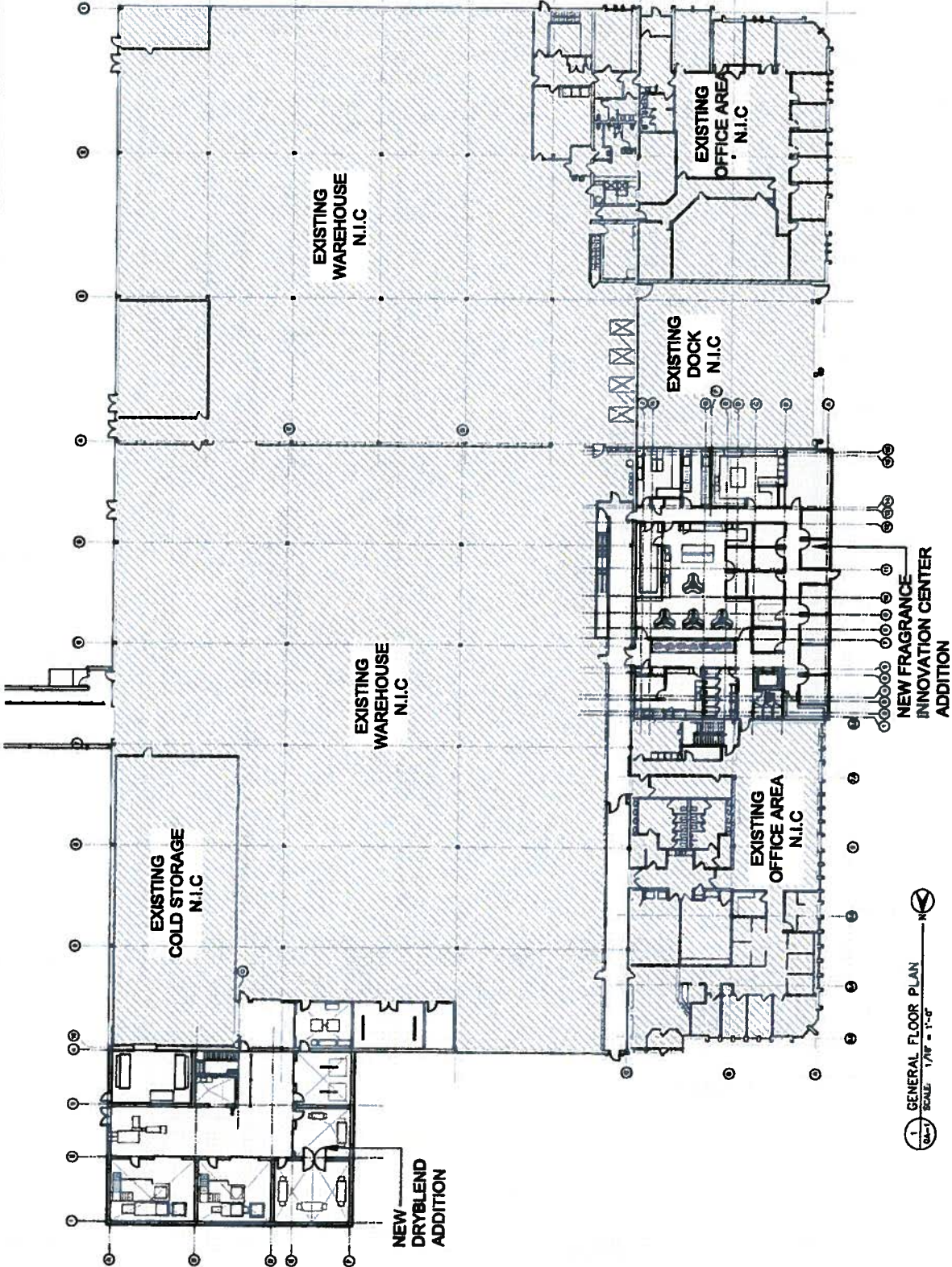
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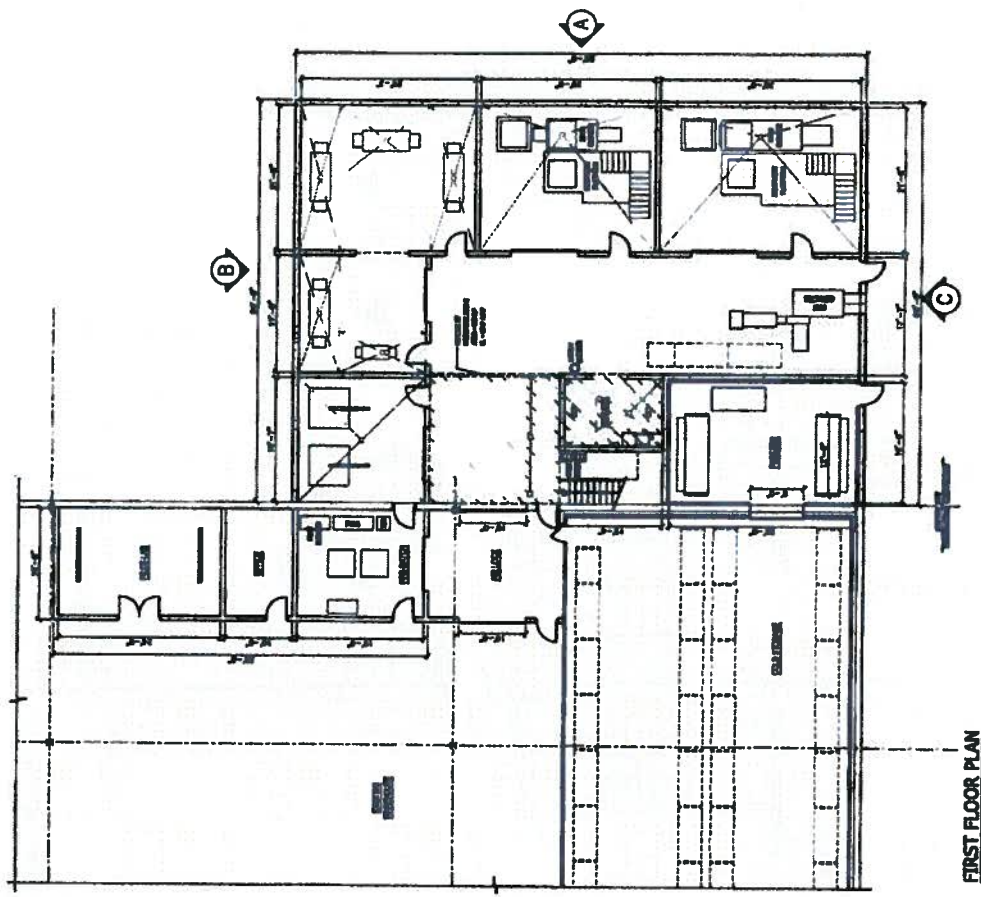
13-111



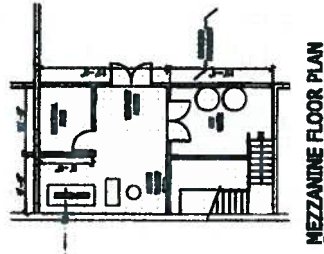
NEW FRAGRANCE
INNOVATION CENTER
ADDITION

1 GENERAL FLOOR PLAN
SCALE 1/8" = 1'-0"

DLM ARCHITECTS LTD. 500 N. VANDERBILT AVENUE, SUITE 1700, CHICAGO, IL 60611
Tel: (312) 329-1100 Fax: (312) 329-1101
• RESIDENTIAL • COMMERCIAL • INDUSTRIAL

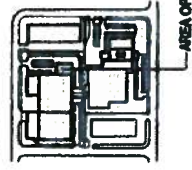


FIRST FLOOR PLAN



MEZZANINE FLOOR PLAN

KEY PLAN



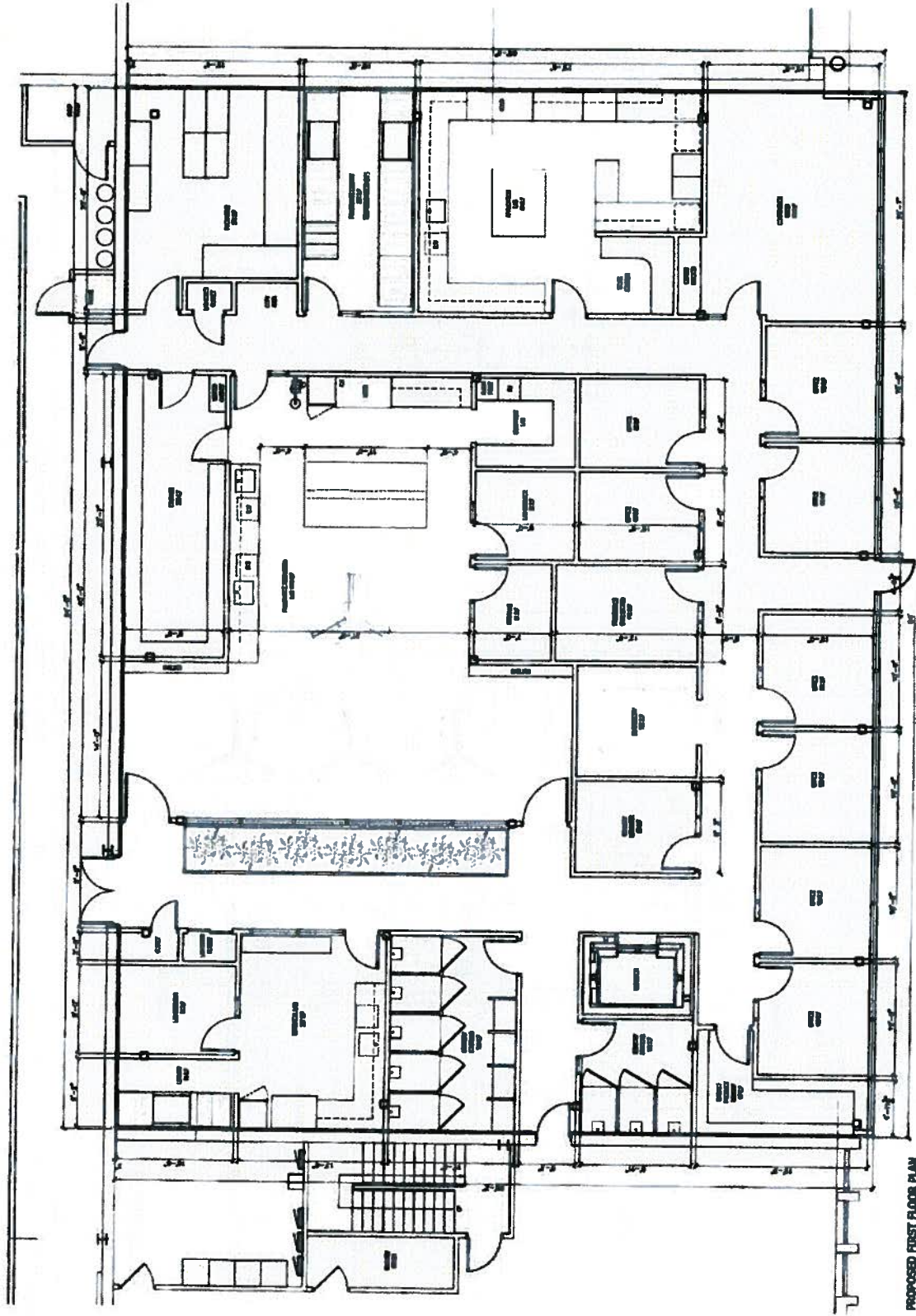
PROPOSED NEW DRY BLEND ADDITION

SCALE: 1/8" = 1'-0"

DATE: 05-18-2015

DLM ARCHITECTS LTD.





PROPOSED FIRST FLOOR PLAN

DLM ARCHITECTS
LTD.

PROPOSED NEW
FRAGRANCE INNOVATION CENTER
SCALE: 1/4" = 1'-0"
DATE: 05-27-2015

2 Bell
Ravens & Fragrances

Bell Flavors - Village of Northbrook

6b Projected Savings over 10 years

Real Property Estimated Investment	5,000,000					
	6b. Incentive Percentage	Assessed Value	State Equalization Factor	Tax Rate	Tax Revenue	
New Structure						
Year 1	10%	500,000	2.7253	8.7400%	119,096	
Year 2	10%	500,000	2.7253	8.7400%	119,096	
Year 3	10%	500,000	2.7253	8.7400%	119,096	
Year 4	10%	500,000	2.7253	8.7400%	119,096	
Year 5	10%	500,000	2.7253	8.7400%	119,096	
Year 6	10%	500,000	2.7253	8.7400%	119,096	
Year 7	10%	500,000	2.7253	8.7400%	119,096	
Year 8	10%	500,000	2.7253	8.7400%	119,096	
Year 9	10%	500,000	2.7253	8.7400%	119,096	
Year 10	10%	500,000	2.7253	8.7400%	119,096	
Total						1,190,956

Estimated Property Taxes over 10 year without 6b savings

[illegible]