

CRAIN'S CHICAGO BUSINESS

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Who hasn't paid their property taxes? Some big names.

Willis Tower, Water Tower Place and some large suburban shopping malls have yet to pay the bill.

GREG HINZ ON POLITICS



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On Politics



CoStar Group

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In what may be an indication of trouble ahead—or a sign of shrewd corporate cash management—commercial properties were far more likely than homeowners to take

advantage of an unusual chance to delay paying their second-half Cook County property tax bills this summer.

Included are some of the choicest properties in town, including the Willis Tower, Citigroup Center and Water Tower Place and, in the suburbs, the huge Northbrook Court, Westfield Old Orchard and Woodfield shopping malls.

Largest unpaid bills on commercial property in Chicago

Willis Tower	\$16.1 million
71 S. Wacker	\$10.5 million
300 N. LaSalle	\$9.9 million
Citigroup Center	\$8.4 million
1 N. Wacker	\$8.2 million
Three First National Plaza	\$6.7 million
Water Tower Place	\$6.6 million

Data covers bills that were due on Aug. 1 but which under a special COVID-related county rule will not face interest penalties if paid in full by Oct. 1

Source: Cook County Treasurer's Office • [Get the data](#) • Created with [Datawrapper](#)

According to data released by County Treasurer Maria Pappas, a total of 314,000 commercial and residential properties failed to pay \$1.892 billion in taxes that were due on Aug. 1. A total of \$7.5 billion was billed.

Though the payments technically were due on Aug. 1, all interest and other penalties will be waived provided that full payment is made by Oct. 1, [under terms of a special COVID-relief grace period adopted by the County Board](#).

Businesses apparently were much better at learning about and taking advantage of that break than some other landowners.

Compared to the same time last year, the amount of bills not paid by homeowners is up 114 percent, according to Pappas, moving from \$338 million to \$726 million. But the shortfall for commercial property, mainly office buildings and retail structures, soared 408 percent, rising from \$229.5 million to \$1.167 billion.

The increase in commercial owners not paying was particularly pronounced in Chicago, rising almost sevenfold, from \$84 million to \$561 million.

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“If the price for not helping the big guy was not helping the little guy, I wouldn’t change a thing,” Commissioner Bridget Gainer, a Chicago Democrat, told me.

Added Evanston colleague Lawrence Suffredin in a separate interview: “The only authority the General Assembly gave us to help people was to delay the penalty date.” With many businesses suffering severe cash flow problems, “it doesn’t bother me” that some were able to take advantage of this program, he said.

The spokesman for another building, the Old Main Post Office, which owes \$5.7 million, said that like a homeowner it paid its taxes into an escrow account held by its lender. The lender will pass on the money to the county “at its discretion.”

County officials have estimated the lost interest for delayed payment fees under the program at about \$8 million.

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Largest unpaid bills on commercial property in suburban Cook County

Fashion Outlets of Chicago	\$7.2 million
Woodfield Mall	\$6.8 million
Westfield Old Orchard	\$6 million
Northbrook Court	\$4.2 million
O'Hare Center Office	\$4 million
Chicago Ridge Mall	\$3.8 million
Orland Square	\$3.6 million

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Pappas said she believes the failure to pay now is a sign that many commercial operators face a real cash crunch, because their tenants—office users and stores—aren't paying their rents on time.

"These numbers say there's a crack in the dam with regard to the commercial and business community" she said. "I believe in many cases their tenants aren't paying. We will know more on Oct. 1."

But spokesmen for some of the larger properties involved report that they will pay, when they have to: on Oct. 1.

"We intend to pay by Oct. 1. We simply took advantage of the opportunity to delay without penalty," said a spokeswoman for Brookfield Properties, which owns Water Tower Place and Northbrook Court.

"We are participating in a program that is available to all commercial landlords, and we will pay the taxes when they are due," said a spokesman for Willis Tower owner Blackstone Group.

That leaves the impression that corporate financial officers were better at using the opportunity presented by the county than were homeowners, though well over half of homeowners pay their taxes automatically to their lender as part of their monthly mortgage payment.

Board members are pushing on the notion that big companies got a relative break here.