

# WBEZ91.5

## County to Lollapalooza: Pay up!

by [Jim DeRogatis](#) | Feb. 01, 2012

The Cook County Board of Commissioners Wednesday approved a measure giving it control over waivers from the 1.5 percent amusement tax, sending a clear message to Lollapalooza: From now on, you'll be paying what you owe.

"This is not like the diamond district," said Cook County Commissioner Bridget Gainer, [who sponsored the measure](#). "You can't get it wholesale."

The move passed unanimously, with one commissioner, John Fritchey, abstaining with a vote of "present."

At a time when the city, county, and state face unprecedented budget deficits, Gainer was outraged when she learned that the giant concert in Grant Park was using its partnership with the not-for-profit Parkways Foundation, on whose board she once served, to dodge its approximately \$350,000 a year county tax bill.

Lollapalooza also has a controversial exemption from paying the 5 percent city amusement tax, a bill estimated at more than a million dollars, as well as the 6.25 percent state sales taxes, the value of which has not even been estimated.

As reported here Monday, [Illinois State Rep. Sara Feigenholtz has asked for an investigation of the state waiver](#). And several Chicago aldermen have been questioning the propriety of the city tax exemption since before the 2011 concert, the seventh under a long-term sweetheart deal negotiated in part by Lollapalooza attorney and lobbyist Mark Vanecko, a nephew of former Mayor Richard Daley.

An increasing number of city, county and state officials now are saying that the tax breaks being given to Lollapalooza give the giant music festival an unfair advantage; that it no longer needs them since its business model is well-established (raking in \$21 million last year) and that no other entertainment event in Illinois gets such favors.

New Parkways interim executive director Jay Terry attended the county board meeting but did not speak. Terry issued a statement to WBEZ last week saying that Parkways "has no opinion" on the tax issue.

However, the parks group and Lollapalooza co-owners C3 Presents of Austin, Texas, and Hollywood talent agency William Morris Endeavor, which is run by Mayor Rahm Emanuel's brother Ari, are expected to lobby hard in Springfield to fight any push to make the concert pay the 6.25-percent state sales tax. And the fate of the city tax exemption in 2012 is yet to be determined.