

CCAO Budget FY 23: Solidifying Positive Change

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Cook County Assessor



As of November 1st:

The Assessor's Office will no longer be under a federal *Shakman* monitor.

Shakman compliance achieved

- ☑ A new Employment Plan and plans for ongoing compliance
- ☑ Compliance with the consent decree and the court's agreed order, plus processes that prevent recurrence
- ☑ Demonstrating the Assessor does not have a custom or practice of making employment decisions based on political factors

The Assessor's Office's compliance with *Shakman* will save the County hundreds of thousands of dollars in taxpayer dollars.

The story so far: Rebuilding the foundation

- New residential assessment models – posted online
- Digitization of core functions: Appeals & exemptions
- COVID disruptions and pivots to hybrid outreach
- First and second phases of iasWorld live
- Improved assessment accuracy in the City of Chicago and all of Cook County

Completion of 2022 reassessment

- Projected to finish by end of the year
- Release of appeal results to BOR by end of October
- Use of iasWorld has reduced future impact of delays on the property tax timeline
 - Until all offices are using iasWorld, we must continue to use the mainframe / AS400 interface

Other 2022 accomplishments

- Hired 31 new employees to fill vacancies / retirements
 - More than half of all 2022 hires in valuations and data
 - 25% of 2022 hires in customer service
 - Strategic hires to build capacity in HR and Legal

Other 2022 accomplishments

- Launch of affordable housing incentive program
- More accurate models for single-family homes / mom & pop apartment buildings
- Assessment models for condos launched
- Easier-to-use exemption form
- Full and timely compliance with all new FOIA requests

2022 awards and recognition

This year, the office received three awards from the National Association of Counties (NACo) for:

- information technology
- civic education
- public information

For its work in developing more accurate and fair residential assessment models, the Assessor's Office's Data team received two awards from:

- The International Association of Assessing Officers (IAAO)
- The Center for Digital Government

These awards reflect our investments in technology, transparency, and better access.



2022: What has iasWorld / IPTS given us?

- Digitizing the paper-driven system of the past
 - Tens of thousands of dollars (and trees) saved
 - Reduced need for warehouse space
 - Faster and more accurate assessments
 - Better customer service in tracking assessment results (fix this)

2022: What has iasWorld / IPTS given us?

More transparency

- Commercial assessment data now online to the public
- Removes need for FOIA requests to access basic data

Wheeling Township: Multifamily & Commercial Valuation Report

Increases in rents and income of commercial property led to increases in their estimated market value. Rent for large multi-family apartment buildings ranges from approximately \$1,023 to \$2,484 with an average vacancy rate of 5% and an average cap rate of 6.64%.

Industrial properties average \$6.55 per square foot in rent with an average of 5% vacancy and an 8.37% cap rate.

The average rent for standalone commercial properties varies from approximately \$18-\$28 per square foot with an average vacancy of 10-15% and cap rates from 7% to 9%.

For more detail based on specific property types, please see the report below.

Commercial Valuation Report

How are commercial properties reassessed?

Commercial properties are calculated by first determining a property's use (office, retail, apartments, industrial, etc.), then the property is grouped with similar or like-kind property types. Next, income generated by the property such as rent or incidental income streams like parking or advertising signage is examined. Next, market-level vacancy based on location and property type is examined. In addition, new construction that has not yet been leased is also considered. Finally, expenses such as property taxes, insurance, repair and maintenance costs, property management fees, and service expenditures for professional services are examined. Once a snapshot of a property's income statement is captured based on market data, a standard valuation metric called a "capitalization rate" to convert income to value is applied.

Revaluation Methodology Worksheets

Below are the Cook County Assessor's 2022 revaluation methodology worksheets for each income-producing PIN (Property Index Number), class 300 and above, in Wheeling Township. The Assessor's goal in publishing this data is that property owners can understand the Assessor's approach to the mass appraisal of their income-producing property.

There is a Summary tab and a separate methodology tab for each property group.

Methodology Worksheets

| SPECIAL PROPERTIES | NUMBER OF PROPERTIES | MARKET RENTS | | | VACANCY & COLLECTIONS LOSS | | | EXPENSE RATIO | | | CAP RATE | | |
|-------------------------------|----------------------|--------------|---------|---------|----------------------------|--------|---------|---------------|--------|---------|----------|-------|---------|
| | | MIN | MAX | AVERAGE | MIN | MAX | AVERAGE | MIN | MAX | AVERAGE | MIN | MAX | AVERAGE |
| AutoRepair | 60 | \$8.40 | \$17.16 | \$11.50 | 5.00% | 5.00% | 5.00% | 10.00% | 10.00% | 10.00% | 7.00% | 8.00% | 7.75% |
| Bank | 33 | \$13.86 | \$26.62 | \$20.42 | 5.00% | 5.00% | 5.00% | 10.00% | 10.00% | 10.00% | 7.00% | 7.50% | 7.45% |
| MedicalOffice - Multi Tenant | 20 | \$15.40 | \$30.61 | \$21.28 | 15.00% | 15.00% | 15.00% | 45.00% | 45.00% | 45.00% | 7.50% | 8.50% | 8.20% |
| MovieTheatre | 1 | \$14.00 | \$14.00 | \$14.00 | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 9.00% | 9.00% | 9.00% |
| NeighborhoodShoppingCenter | 43 | \$14.54 | \$21.78 | \$17.68 | 10.00% | 10.00% | 10.00% | 40.00% | 40.00% | 40.00% | 7.00% | 9.00% | 8.56% |
| Office - Multi Tenant | 29 | \$13.30 | \$19.95 | \$17.07 | 15.00% | 15.00% | 15.00% | 45.00% | 45.00% | 45.00% | 6.50% | 8.50% | 8.19% |
| Office - Single Tenant | 26 | \$13.30 | \$19.95 | \$17.81 | 15.00% | 15.00% | 15.00% | 45.00% | 45.00% | 45.00% | 7.50% | 8.50% | 8.38% |
| Retail - Single Tenant | 25 | \$11.06 | \$27.89 | \$19.99 | 10.00% | 10.00% | 10.00% | 40.00% | 40.00% | 40.00% | 7.50% | 8.00% | 7.90% |
| Retail/Office | 12 | \$13.48 | \$19.25 | \$17.97 | 12.50% | 12.50% | 12.50% | 42.50% | 42.50% | 42.50% | 6.75% | 8.25% | 8.13% |
| SelfStorage | 12 | \$14.00 | \$16.94 | \$14.42 | 5.00% | 5.00% | 5.00% | 55.00% | 55.00% | 55.00% | 5.50% | 6.50% | 5.58% |
| Restaurant | 5 | \$16.00 | \$17.60 | \$16.32 | 10.00% | 10.00% | 10.00% | 15.00% | 15.00% | 15.00% | 8.00% | 8.00% | 8.00% |
| Warehouse | 18 | \$3.97 | \$7.00 | \$5.46 | 5.00% | 5.00% | 5.00% | 10.00% | 10.00% | 10.00% | 8.00% | 8.00% | 8.00% |
| AutoDealership | 13 | \$9.00 | \$13.78 | \$9.40 | 5.00% | 5.00% | 5.00% | 10.00% | 10.00% | 10.00% | 7.50% | 8.00% | 7.96% |
| MedicalOffice - Single Tenant | 8 | \$20.90 | \$26.57 | \$22.43 | 15.00% | 15.00% | 15.00% | 45.00% | 45.00% | 45.00% | 8.50% | 8.50% | 8.50% |
| Supermarket | 4 | \$14.25 | \$18.15 | \$15.79 | 5.00% | 5.00% | 5.00% | 10.00% | 10.00% | 10.00% | 7.00% | 8.00% | 7.75% |
| CarWash | 7 | \$10.80 | \$12.00 | \$11.49 | 5.00% | 5.00% | 5.00% | 10.00% | 10.00% | 10.00% | 8.00% | 8.00% | 8.00% |
| BowlingAlley | 3 | \$6.80 | \$8.00 | \$7.60 | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 9.00% | 9.00% | 9.00% |
| DepartmentStore | 2 | \$9.50 | \$10.00 | \$9.75 | 5.00% | 5.00% | 5.00% | 10.00% | 10.00% | 10.00% | 9.00% | 9.00% | 9.00% |
| office/warehouse | 2 | \$9.10 | \$13.00 | \$11.05 | 10.00% | 10.00% | 10.00% | 27.50% | 27.50% | 27.50% | 8.25% | 8.25% | 8.25% |
| Retail - Multi Tenant | 2 | \$16.58 | \$17.55 | \$17.06 | 10.00% | 10.00% | 10.00% | 40.00% | 40.00% | 40.00% | 8.00% | 8.00% | 8.00% |
| DataCenter | 1 | \$22.00 | \$22.00 | \$22.00 | 5.00% | 5.00% | 5.00% | 15.00% | 15.00% | 15.00% | 5.00% | 5.00% | 5.00% |

2022: What has iasWorld / IPTS given us?

New Assessor Property Details database

- Sales data
- Permits
- Divisions
- Reduces discrepancies in characteristics data

| | | |
|----------------------------|--|---|
| Profile | Parcel #: 03264000090000 | Neighborhood: 38010 |
| Taxpayer Data | 1200 E KENSINGTON RD | ROLL: RP |
| Values | Tax Year: 2022 (Taxes Payable in 2023) | |
| Value Summary | Dwelling Characteristics | |
| Property Location | Tax Year | 2022 |
| Land | Card | 1 |
| Residential Building | Parcel # | 03-26-400-009-0000 |
| HIE Additions | Class | 206 - Greater than One Story Dwelling, greater than 62 years of age, between 2201 and 4999 SFLA |
| Other Structures | Level of Assessment | 10% |
| Commercial Building | Use | SINGLE FAMILY |
| Permits | Incentive Number | |
| Divisions & Consolidations | Exterior Construction | MASONRY |
| Sales | Roof Construction | SHINGLE/ASPHALT |
| Notice Summary | Type of Residence | TWO STORY |
| Appeals & COEs | Style | Two or more Story -2-06 |
| Map | Total Number of Units | NONE |
| | Year Built | 1908 |
| | CDU | AVERAGE |
| | Alternative CDU | |
| | Construction Quality | AVERAGE |
| | State of Repair | AVERAGE |
| | Renovated | NO |
| | Exterior Remodel Year | |
| | Kitchen Remodel Year | |
| | Bath Remodel Year | |
| | Square Footage | 3,196 |
| | Basement Type | FULL |
| | Basement Finish | UNFINISHED |
| | Heating | HOT WATER / STEAM |
| | Attic Type | FULL |
| | Attic Finish | UNFINISHED |
| | Number of Rooms | 11 |
| | Number of Bedrooms | 6 |
| | Number of Full Baths | 2 |
| | Number of Half Baths | 1 |
| | Number of Fireplaces | 2 |
| | Garage Size | 3.5 CAR |
| | Garage Attached | YES |
| | Garage in Area | NO |
| | Occupancy % | |
| | Change Reason | 2 - CONVERSION |
| | Pct Complete | 100 |
| | Proration % | 0 |

FY 23 Priorities

Next phase of iasWorld implementation

Emphasis on hiring in data and valuations

Expansion of data sources and property tax exemption applications

Ensure an on-time assessment cycle

2023 iasWorld plans

- Integrated affordable housing application
- Online incentive filing
- Field mobile apps for residential property inspections
- Better tracking of exempt properties and property characteristics
- New, faster exemption filing *
- Certificates of error *

** Full integration dependent on other property tax offices*

2023 hiring

- Nine more FTEs in 2023; first increase in FTEs since 2021
- 75% of 2023 hires will be in data and valuations
- Other hires in IT, exemptions, and HR

2023 non-personnel spending

- Upgrades to data sources and imagery
- New tools for tracking exemptions
 - Newly qualified seniors and homeowners
 - Reducing potential fraud from ineligible applications
- Professional contracts for training and implementation of new technology and processes

Tax bill timeline update

- All property tax offices have worked closely with the President's Office and BOT
- Assessments completed; BOR appeal results delivered
- Certified results given to Illinois Dept. of Revenue
- IDOR calculated multiplier
- Exemption data files in process by CCAO
- Clerk will calculate rates; Treasurer will print tax bills
- Intended delivery date of mid-to-late November; tax bills due by December 31st

Progress on reform

Since the IAAO audit in 2019, we have implemented 19 recommendations and are implementing plans in 4 other areas:



Staffing and Skill
Development



Adapting
Technology



Data
Quality



Valuation
Methods