



**BOARD OF COMMISSIONERS OF COOK COUNTY
BOARD OF COMMISSIONERS**

**Cook County Building, Board Room, 118 North Clark Street, Chicago, Illinois
(Board Room Closed to Public - Meeting Virtual for Public)**

New Items Agenda

Thursday, December 15, 2022, 10:00 AM

Seventh Set

[23-0593](#)

Sponsored by: ALMA E. ANAYA, Cook County Board of Commissioners

PROPOSED RESOLUTION

PROPOSED RESOLUTION FOR THE CREATION OF THE 2023 PROPERTY TAX RELIEF LOAN PROGRAM

WHEREAS, The Cook County (the “County”) is a home rule unit of government under Article VII, Section 6(a) of the Constitution of the State of Illinois, and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, As the County continues to confront the twin crises of the COVID-19 pandemic and inflation, the very same residents who are struggling to make ends meet are now facing large increases in their property tax bills; and

WHEREAS, The reliance on property taxes to fund government functions has put a tremendous strain on our residents - particularly those facing displacement and other pressures from gentrification; and

WHEREAS, This year, the overall property tax burden increased upwards of \$468,000,000, with homeowners picking up approximately 60% of the increase while tax bills for the majority of commercial properties actually decreased after the appeals process; and

WHEREAS, According to a report issued by the Cook County Treasurer, the increase in residential property taxes is particularly and acutely affecting fast-gentrifying communities and majority-minority communities - particularly Latino communities - including the Lower West Side (46%), Humboldt Park (30%), Avondale (27%), South Lawndale (25%), Rogers Park (25%), Irving Park (21%), Chicago Lawn (20%), Hermosa (19%), Armour Square (19%), Logan Square (18%), Grand Boulevard (18%), O'Hare (18%), Douglas (17%), Gage Park (17%), Kenwood (16%), and West Ridge (16%); and

WHEREAS, While there are certainly many causes of these increases - including increases in assessed values, lingering effects of assessments during the early stages COVID-19 pandemic, the impact of property tax appeals shifting the tax burden from big commercial properties to residential properties, the proliferation of TIF districts, a recent state law that allows taxing bodies to recapture

certain refunded property taxes, or simple increases in levies from the various taxing bodies - many of our residents need assistance now, particularly since this year's property tax bills are the first to be issued in a new triennial assessment cycle; and

WHEREAS, The last time the County's residents were faced with a property tax increase like this was in 1998, and the a loan program was developed to provide much needed relief; and

WHEREAS, Since the 1998 program, the pressures of displacement and gentrification have only increased, and the County must take immediate action to ensure that increases in property tax bills are not furthering the displacement of the long-term residents who have - and continue - to turn the neighborhoods into communities; and

WHEREAS, Housing is a human right and cook County needs to take swift action to ensure residents do not lose their home due to an unexpected increase in their property taxes.

NOW THEREFORE, BE IT RESOLVED, that the Cook County Budget Director and Comptroller are authorized to create and implement a fund utilizing ARPA or any other source as determined by the Budget Director for a program to help mitigate the impact of recent property tax increases in Cok County ("2023 Property Tax Relief Loan Program"), and

BE IT FURTHER RESOLVED, that the Bureau of Economic Development ("Bureau") will be charged with administering the 2023 Property Tax Relief Loan Program ("Program") fund and implementation; and

BE IT FURTHER RESOLVED, To be considered for the Program, Cook County residents must submit an application to the assigned administrator in a form prescribed by the Bureau. Timely submission of the application does not guarantee selection for a Program Loan. Applications that contain incomplete or inaccurate information will be rejected. The assigned administrator shall review all applications for completeness and accuracy and shall determine whether applicants are eligible for Program Loans.

BE IT FURTHER RESOLVED, Loan Terms shall be set as the following:

Maximum Loan Amount: Not to exceed the difference between the increased property taxes attributable to the dwelling unit and the Countywide average

Borrowers:	More than one Recipient is allowed on a given Program Loan, but not more than one Program Loan is permitted per dwelling unit that serves as the primary residence of a Recipient
Term:	10 years from the date of the Program Loan
Interest:	3 percent (3%) per annum
Security:	Junior mortgage to the senior mortgage, or to any replacement senior mortgage undertaken during the Term or other security acceptable

BE IT FURTHER RESOLVED, Following approval of an application to receive a Program Loan and the execution of any related documents in accordance with this ordinance, Recipients will receive a one-time disbursement in an amount not to exceed the Maximum Loan Amount. The Department shall deliver disbursements to Recipients in a manner that prioritizes payment security and minimizes the need for additional actions by the Recipient; and

BE IT FURTHER RESOLVED, Upon the expiration of the term of the Program Loan, the full amount of the Program Loan, including any accrued interest, shall be forgiven. In the event that the dwelling unit is sold by the Recipient or otherwise ceases to be the primary residence of the Recipient prior to forgiveness, the entire amount of the Program Loan, plus any accrued interest, shall become due and payable. The assigned administrator may use any legal means to recapture Program Loan payments from Recipients who knowingly misrepresent any material information in their application to the Program, or who violate any laws or rules governing the Program; and

BE IT FURTHER RESOLVED, To the extent permitted by law, no payments under the Program shall affect any recipient's eligibility, and no such payment shall be taken into account when determining any recipient's income level or assets, for any current or future City, State, or Federal program or benefit administered by the County which is based upon income level or assets; and

BE IT FURTHER RESOLVED, The assigned administrator, in consultation with the Bureau, may promulgate rules for the administration and enforcement of this program.

[23-0594](#)

Sponsored by: ALMA E. ANAYA, Cook County Board of Commissioners

PROPOSED ORDINANCE

COOK COUNTY HISTORIC DISTRICT PRESERVATION EXEMPTION

WHEREAS, Cook County residents are experiencing substantial and unpredictable property tax increases; and

WHEREAS, Cook County residents residing in historic districts are experiencing even more substantial and unpredictable property tax increases due to the overlap of some historic districts with areas experiencing rapid displacement and gentrification; and

WHEREAS, in June 2017 a Tribune published an investigation entitled “The Tax Divide” that detailed widespread inconsistencies and inequities in Cook County home valuations; and

WHEREAS, between 2015 and 2016 more than 12,000 black residents left Cook County and since 2010 the greater Chicago areas has seen a loss of nearly 46,000 black residents; and

WHEREAS, between 2000 and 2017, the community area that includes Little Village saw its Latino population drop from about 75,500 to 62,500, according to Paral’s data; and

WHEREAS, due to COVID-19, many families faced displacement of homes in Chicago due to loss of jobs and missed payments; and

WHEREAS, the Southwest side neighborhood, Pilsen, known for its Latino culture and identity has seen a loss of 5,512 Latinos (about 19 percent) according to the 2020 Census; and

WHEREAS, certain areas designated as Historic Districts by the National Register of Historic Places overlap with areas experiencing rapid displacement, gentrification and loss of cultural heritage; and

WHEREAS, in recognition of the severe economic circumstances that many longtime homeowners face, the Illinois Legislature and the Cook County Board of Commissioners have historically created legislation to target impacted communities; and

WHEREAS, the Illinois Legislature passed Public Act 88-451, the Longtime Owner-Occupant Property Tax Relief Act (35 ILCS 250, et. seq.) with the purpose of providing property tax relief to longtime homeowners, whose property taxes rose sharply as a result of new construction or renovation of existing residences in long-established residential areas; and

WHEREAS, on June 5, 2001, the Cook County Longtime Homeowner Exemption Ordinance (Ord. No.

01-O-12) was enacted to provide relief to longtime homeowners who are experiencing unpredictable property tax increases due to upper -scale development or re-development; and

WHEREAS, the Illinois Legislature passed Public Act 90-0114, creating a Property Tax Assessment Freeze Program which provides tax incentives to owner-occupants of certified historic residences who rehabilitate their homes; and

WHEREAS, as a matter of public policy, the Cook County Board of Commissioners has the responsibility to enact property tax relief provisions that will enable eligible longtime property owners to remain in financially secure possession of their homes.

NOW, THEREFORE, BE IT ORDAINED, by the President and the Board of Commissioners of Cook County the following:

TITLE OF ORDINANCE: Historic District Preservation Exemption Ordinance.

PURPOSE: An Ordinance creating the Historic District Preservation Exemption Program to provide property tax relief to property owners who have owned a property within a historic district and who have low- or middle-income tenants who have resided in a property within a historic district for a minimum of 5 years. The ordinance allows property owners to conserve the Historic District Preservation Exemption if they stay or move to another historic district. Property owners who have tenants who have stayed or moved to another historic district can also apply. The Cook County Assessor (“Assessor”) shall administer the Historic District Preservation Program. To be eligible, the property owner must own a Class 2 or Class up to 2-12 property located in Cook County. The property must have an assessment increase that exceeds one and one-half (1 ½) times the percentage median assessment increase within the assessment district shall be exempted in the calculation of the property tax. Eligibility for the program terminates at the time the property owner no longer has any property in the historic district, however, new property owners can reapply for existing tenants, or the Assessor determines that the homeowner’s assessment increase no longer exceeds one and one-half (1 ½) times the percentage median assessment increase within the assessment district.

SECTION 1. SHORT TITLE. This Ordinance shall be known and may be cited as the “Historic District Preservation Exemption Ordinance.”

SECTION 2. PURPOSE. The intent of this Ordinance is to stabilize the effects of soaring property taxes for longtime property owners who rent to low and middle-income tenants, who have resided in historic districts for a minimum of 5 years or more.

SECTION 3. DEFINITIONS. As used in this Ordinance:

“Assessment District.” Cook County has a triennial reassessment cycle wherein one of the three districts within the county is reassessed each year. The three assessment districts are defined in the Illinois Property Tax Code (35 ILCS 200/9-220(B)).

“AV.” Assessed Value as defined in the Cook County Real Property Assessment Classification Ordinance (Section 2, Class 2 and Section 3, Class 2).

“Average Assessment Increase.” A percentage calculated by taking the value of all potentially qualifying Class 2 properties within the assessment district and determining the percent difference between the current reassessment value and the prior year’s assessment value.

“Certified Local Government.” A unit of local government fulfilling the requirements of the National Historic Preservation Act of 1966, as amended, 16 U.S.C. 470a (the ‘Act’) that has been certified by the Illinois State Historic Preservation Officer pursuant to the Act.

“EAV.” Equalized Assessed Value. The assessed value multiplied by the equalization factor calculated by the Illinois Department of Revenue.

“H.E.L.P.” Homeowner Exemption for Long-term Properties calculated as follows: that portion of the current EAV for an eligible property which exceeds the sum of the EAV for the year prior to reassessment; plus the prior year EAV multiplied by a factor equal to 150 percent of the average assessment increase for the most current reassessment of the assessment district.

“Class 2 to 2-12 Properties.” Residential properties as defined in the Cook County Real Property Assessment Classification Ordinance (Section 2, Class 2).

“Contributing Building.” A building which is a historic structure within a specifically designated historic or landmark district pursuant to a local ordinance, approved by a Certified Local Government, which has been certified by the Illinois Historic Preservation Agency, and which meets the following criteria:

- A. The building was constructed within or present during the period of historical significance of the district; and
- B. The building relates to the significant features, qualities, and/or themes that give the district its historic, cultural and/or architectural significance; and
- C. The building substantially retains its design, materials and appearance from the period of historical significance of the district; or if substantially altered, the changes are reversible such that, through the Substantial Rehabilitation of the building, the building will be returned to a state that substantially retains its design, materials, and appearance from the period of historical significance of the district.

“Historic District.” A district which is specifically designated as a historic or landmark district pursuant to a local ordinance, approved by a Certified Local Government, pursuant to its criteria, which have been certified by the Illinois Historic Preservation Agency.

“Longtime Property Owner.” Persons who have owned and occupied a Cook County Class 2 or Class up to 2-12 property since 2008, or five years or more if the owner received assistance in the acquisition of the property as part of a government or nonprofit housing program. “Longtime homeowners” also means persons who inherited the property from a spouse who owned and occupied a Class 2 or Class up to 2-12 property since January 1, 2008 or five years or more if the owner received assistance in purchasing the residence from a governmental or non-profit housing program.

“Period of Historical Significance.” The period of development history for which the district is significant.

“Preservation Commission.” A commission or similar body established by a Certified Local Government pursuant to the ‘Act,’ generally for the purpose of identifying, preserving, protecting, recommending for designation and encouraging the continued use and the rehabilitation of areas, properties and structures having historic and/or architectural significance.

“Substantial Rehabilitation.” The extensive renovation or replacement of primary building systems of the landmark and/or the significant improvement of the condition of the landmark, as further prescribed by rule of the Assessor; which meets or exceeds the Standards of the United States Department of the Interior for Rehabilitation, Preservation, Restoration and Reconstruction of Historic Properties; and which has been completed in accordance with plans approved by the Certified Local Government within which the landmark is located.

“Triennial Reassessment.” Any reassessment of an assessment district, which occurs every third year as set forth in the Illinois Property Tax Code (35 ILCS 200/9-220(B)).

SECTION 4. ADMINISTRATION OF THE HISTORIC DISTRICT PRESERVATION EXEMPTION PROGRAM.

(A) The Cook County Assessor shall have the authority to:

(1) Administer the Historic District Preservation Exemption program as created by the enactment of this Ordinance and;

(2) Create applications for and determine potential eligibility to the program based on the eligibility criteria set forth in this Ordinance and;

(B) The Cook County Clerk shall have the authority to compute tax rates and calculate tax bill amounts and to provide this information to the Cook County Treasurer to implement the provisions of this Ordinance.

(C) The Cook County Treasurer shall state on the tax bill the amount of the tax saved by the exemption.

SECTION 5. ELIGIBILITY CRITERIA.

The following nonexclusive criteria shall be used to verify a property owner’s eligibility for program on an

annual basis:

- (1) Property owner owns a Cook County Class 2 up to Class 2-12 property in a historic district, and that owner has owned the property since January 1, 2008; or
- (2) Property Owner owns a Cook County Class 2 up to Class 2-12 property in a historic district, and received assistance in the acquisition of the property as part of a government or nonprofit housing program under the following guidelines:
 - (a) The program is restricted to qualified homebuyers on the basis of the household income of the homebuyer; and
 - (b) The income restriction for the homebuyer did not exceed 140% of the area median income as defined by the U.S. Department of Housing and Urban Development; and
 - (c) The subsidy exceeds \$5,000 or 5% of the development cost of the property, whichever is greater; and
 - (d) The homebuyer is restricted from selling the house at full market price for at least ten years from the date of purchase.

The Cook County Board shall determine whether a purchase assistance program is qualified under the provisions of this Ordinance; or
- (3) Property owner owns a Cook County Class 2 up to Class 2-12 property in a historic district, and the tenants have lived in a historic district since January 1, 2008; or
- (4) Property owner owns a Cook County Class 2 up to Class 2-12 property in a historic district; and
- (5) Homeowner's property must have an AV increase that exceeds 150% of the current average AV increase for Class 2 and up to Class 2-12 properties in the assessment district where the property is located; and
- (8) Annual household income of property occupants for the year of the property owner's triennial assessment does not exceed one hundred and fifteen percent (115%) of the Chicago Primary Metropolitan Statistical Area median income as defined by the United States Department of Housing and Urban Development; and

Household Size

Area Median Income Limits 2021 (Effective April 1, 2021) 50% 60% 80% 100% 120% 140%

1. \$32,650, \$39,180, \$52,200, \$65,300, \$78,360, \$91,420
2. \$37,300, \$44,760, \$59,650, \$74,600, \$89,520, \$104,440
3. \$41,950, \$50,340, \$67,100, \$93,200, \$100,680, \$117,460
4. \$46,600, \$55,920, \$74,550, \$88,540, \$111,840, \$130,480
5. \$50,350, \$60,420, \$80,550, \$100,700, \$120,840, \$140,980
6. \$54,100, \$64,920, \$86,500, \$108,200, \$129,840, \$151,480

- 7. \$57,800, \$69,360, \$92,450, \$115,600, \$138,720, \$161,840
- 8. \$61,550, \$73,860, \$98,450, \$123,100, \$147,720, \$172,340
- 9. \$65,250, \$78,300, \$104,370, \$130,500, \$156,600, \$182,700
- 10. \$69,000, \$82,800, \$110,334, \$138,000, \$165,600, \$193,200

SECTION 6. APPLYING THE EXEMPTION.

(A) The Cook County Assessor shall:

- (1) Annually verify potential eligible property owners; and
- (2) Provide to the Cook County Clerk the information necessary to calculate the exemption in accordance with the Ordinance.

(B) The Cook County Clerk shall remove the exempt value from the calculation of the property tax.

(C) The Cook County Treasurer shall state on the tax bill the amount of tax saved by the exemption.

SECTION 7. ELIGIBILITY NOTIFICATION.

The Assessor shall notify potentially eligible owners of record of Class 2 and up to Class 2-12 properties in Cook County of the existence of the Historic District Preservation Exemption Program for each triennial assessment cycle within sufficient time to apply.

SECTION 8. TERMINATING ELIGIBILITY.

Eligibility for the program terminates at the time the property owner no longer has any property in the historic district, however, new property owners can reapply for existing tenants, or the Assessor determines that the homeowner's assessment increase no longer exceeds one and one-half (1 ½) times the percentage median assessment increase within

assessment increase no longer exceeds one and one-half (1 ½) times the percentage median assessment increase within the assessment district.

Effective date: This ordinance shall be in effect immediately upon adoption on July 1, 2023