

**REVISED PROPOSED SECOND SUBSTITUTE TO FILE 24-5414 – Issued on 10/22/2024**

**This replaces all previous versions.**

(Finance Committee 10/22/2024)

**Sponsored by:** BRIDGET GAINER, ALMA E. ANAYA, BRIDGET DEGNEN and KEVIN B. MORRISON, Cook County Board of Commissioners

**PROPOSED RESOLUTION CREATING COOK COUNTY HOMEOWNER RELIEF FUND AND SPECIAL PURPOSE FUND**

**WHEREAS**, in recent years, Cook County has enacted several programs designed to provide relief to County residents facing extraordinary financial hardship due to unforeseen or unexpected changes in circumstances, including the Cook County Medical Debt Relief Initiative, the COVID-19 Emergency Rental Assistance Program, and the Promise Guaranteed Income Pilot Program, each of which include household income limitations as part of its eligibility requirements; and

**WHEREAS**, Cook County is a home rule county and has authority under the Illinois Constitution to create a cash grant program for county residents experiencing financial hardship; and

**WHEREAS**, Cook County, pursuant to its home rule authority, is authorized to offer grant programs, including grants to county residents experiencing financial hardship; and

**WHEREAS**, many Cook County homeowners now face a crisis due to an unexpected and substantial increase in their property tax bills due to increased assessed value; and

**WHEREAS**, research by Fannie Mae implies that property taxes should account for no more than about 5 percent of household income in order to keep total housing costs below threshold; and

**WHEREAS**, a study by the University of Chicago analyzing Cook County property tax and income data showed that more than 248,000 homeowners, or 21.6 percent, pay 10% or more of their income on property taxes; and

**WHEREAS**, the University of Chicago found that seniors aged 65+ disproportionately have higher property tax burdens and the percentage of household income spent on property taxes generally increases with age, with 33 percent of senior households paying 10 percent of their annual income on property taxes and 37 percent of seniors in gentrifying areas studied paid 20 percent or more of their annual income; and

**WHEREAS**, for many homeowners, the increase in the property tax bills received in 2024 will far outpace any increase in household income. This increase in property taxes will make it impossible for many Cook County residents to sustain homeownership, threatening neighborhood stabilization, which, without intervention by the County, will increase vacancies, leading to an increase in the property tax burden to be shouldered by the remaining property owners; and

**NOW THEREFORE BE IT RESOLVED**, that Cook County shall create a Homeowner Relief Fund seeking to provide relief to the most vulnerable homeowners; and

**BE IT FURTHER RESOLVED**, that the Cook County Homeowner Relief Fund shall be administered under the leadership of the Bureau of Economic Development and be used to award one-time, unrestricted cash payments to qualified Cook County residents who are experiencing financial hardship as a result of property taxes and meet eligible, criteria.

**BE IT FURTHER RESOLVED**, the County Board authorizes the Cook County Budget Director and Comptroller to create and implement a Special Purpose Fund for the Cook County Homeowner Relief Fund and other accounting measures to track the disbursement of funds in accordance with this Resolution.

**BE FURTHER RESOLVED**, that the FY25 Budget shall include an appropriation of \$15,000,000.00 in the Homeowner Relief Fund which will be funded with the Cook County General Fund's unassigned fund balance.

**BE IT FURTHER RESOLVED**, that a Special Purpose Fund for the Cook County Homeowner Relief Fund shall sunset on November 30, 2025, and can be further evaluated by the Board at that time.