Class 9 Part Deaux:

Reinstating Class 9 Status

Affidavits Affidavits

Rock the Affidavits

(sung to tune of "Rock Me Amadeus")
The Preservation Compact

- Housed at Community Investment Corporation
  - Multifamily acquisition rehab lender since 1984
  - Property management training
- Policy collaborative to preserve affordable rental housing
  - Partners include: Government, nonprofit and for profit developers, tenant advocates, lenders, civic groups
- Strategies to preserve affordable rental housing
Class 9: What is it?

• Incentive to rehab multifamily rental and keep units affordable
  – 1,300 Class 9 buildings estimated in 2016; 1,800 in 2015
  – Began as a decrease in assessment levels:

<table>
<thead>
<tr>
<th></th>
<th>Est. Market Value</th>
<th>Assessment level</th>
<th>Assessed Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 3 Property</td>
<td>$1,000,000</td>
<td>33%</td>
<td>$330,000</td>
</tr>
<tr>
<td>Class 9 Property</td>
<td>$1,000,000</td>
<td>16%</td>
<td>$160,000</td>
</tr>
</tbody>
</table>
Class 9: How has it changed?

- Assessment level structure changed
  - Class 3 properties at lowest level (10%)
  - Class 9 properties now assigned lower market values:

<table>
<thead>
<tr>
<th>Property</th>
<th>Est. Market Value</th>
<th>Assessment level</th>
<th>Assessed Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 3 Property</td>
<td>$1,000,000</td>
<td>10%</td>
<td>$100,000</td>
</tr>
<tr>
<td>Class 9 Property</td>
<td>$500,000</td>
<td>10%</td>
<td>$50,000</td>
</tr>
</tbody>
</table>
Class 9 Requirements

• Renewal every 10 years
  ✓ Assessor’s Office used to send reminders and form
    ▪ No more reminders

• Annual affidavits
  ✓ You must complete each year
  ✓ Your status can be revoked if you do not comply
  ✓ NEW AFFIDAVITS POSTED IN OCTOBER, 2017
Do You Have a Problem?

• Aggressive enforcement of annual affidavit requirement this year

• How do I know if my Class 9 buildings are affected?
  – Know your 2017 estimated market value from Assessor’s Office
  – This is NOT your tax bill from Treasurer’s Office
Information Gathering: Your 2017 Assessed Value (AV)

Your 2017 Assessor’s Notice should look like this:

<table>
<thead>
<tr>
<th>PIN</th>
<th>20-1111-100-0000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Township</td>
<td>Jefferson</td>
</tr>
<tr>
<td>Tax Code</td>
<td></td>
</tr>
<tr>
<td>Partial Assessment</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Land AV</th>
<th>Building AV</th>
<th>Total AV</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$5,000</td>
<td>$70,000</td>
<td>$75,000</td>
</tr>
<tr>
<td>2016</td>
<td>$5,000</td>
<td>$37,000</td>
<td>$42,000</td>
</tr>
</tbody>
</table>

Class 3-15
Description: Two or three story...
Land Sq. Footage: 7,500
Information Gathering: Your Building

• If you don’t have a paper notice:
  – Go to Cook County Assessor’s website
  – Go to search tab and enter your address

• Note your classification
  – Did your classification change from Class 9 to Class 3?

• Note your estimated market values and the dates
  – Are 2017 and 2016 values different?
  – NOTE: south townships (south suburban) are in triennial this year
    • Those values may have increased regardless
Information Gathering: Affidavits

• Are you missing affidavits?
  – Make appointment (or just go) to Assessor’s Office
    • class9@cookcountyassessor.com
  – Ask which affidavits are wrong or are missing
  – You may owe 2015 & 2016 affidavits

• Are you current on your renewal?
Submit Affidavits

- Required affidavits
  - See checklist
  - 2015 & 2016 if needed (make that appointment!)
  - 2017 affidavit (posted in early October)
  - Living Wage
  - Minimum Wage (new, posted in early October)
  - Illinois Labor Law (new, posted in early October)
Submit Affidavits

• Submit affidavits
  – Hand deliver to Assessor’s Office
  – Make two copies
    • Get date stamp on both
    • Keep one copy for your records
The Triennial Reassessment

• Assessor re-evaluates values every 3 years
  – City of Chicago, North Cook and South Cook Townships
    • South townships were reassessed this year (2017)
    • City of Chicago will be re-assessed in 2018 (next year)
    • North townships will be re-assessed in 2019
  – Tax bills in the following year reflect new values
  – Really - reassessment in 2018 in City of Chicago
    • VALUES WILL CHANGE
Class 9 Renewal

- Keep track of your 10 year timeframe
- Complete renewal documentation
  - Meet submittal deadline
  - City must complete inspection
Affidavits Due November 17th

- November 17th
- November 17th
- November 17th
- November 17th
- November 17th
Resources

Email Assessor’s Office:
class9@cookcountyassessor.org

Property tax appeal attorneys are listed on Preservation Compact website:
www.preservationcompact.org/appeals/
Questions

• What if I can’t find my control number and I don’t know when the Class 9 term started?
  – Some owners purchased buildings that already had Class 9 status and do not have original documentation

• When do I know if my Class 9 status has been reinstated?

• What will my 2018 tax bills reflect – Class 9 or Class 3?
  – First installment: always 55% of prior year’s bill
  – What if the second installment reflects higher Class 3 value (not Class 9)?
Questions

• We can compile questions for Assessor’s Office
• We will send out answers

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