

Affordable Housing Special Assessment Program

PROPERTY TAX INCENTIVE FOR MULTIFAMILY BUILDINGS IN COOK COUNTY

Program Overview

Program reduces assessed value for **10 years** or more for rental buildings with **7+ units** that:

- Are **new construction** or undertake **qualifying rehab**, and
- Keep a portion of units **affordable** to households at or below 60% of Area Median Income (AMI)
- Similar to Cook County **Class 9 program** in structure, application, and annual review process

Incentive Tiers

TIER 1

15% or more affordability results in a **25% decrease in assessed value**

TIER 2

35% or more affordable units results in a **35% reduction in assessed value**

TIER 3

See table for a **20% affordability tier** – available on a more limited basis
Only Downtown Chicago & suburban communities IHDA designates as "low-affordability"

Background

The Preservation Compact developed this **statewide property tax incentive** alongside partners including Housing Action Illinois, Illinois Housing Council, Metropolitan Planning Council, and Enterprise Community Partners. Learn more at: www.preservationcompact.org/innovation/property-tax-incentive

Eligibility

Broad range of properties are eligible: Applies to both market rate and affordable developers

- Mixed use qualifies as long as there are **7+ residential units** (reduction applies to entire property)
- Anyone planning a rehab or new construction project should consider applying
- **Class 9 properties are automatically eligible** and benefit from a streamlined application process
- **Long lookback period:** properties can qualify based on rehab since January 1, 2015

2023 Application Process

Applications are **open now:**

- Applications and instructions available at: www.cookcountyassessor.com/affordable-housing
- 2023 Deadline: Submit application by **June 30, 2023** to receive benefit on tax bill next year

Questions?

Contact Emily Bloom-Carlin at Emily.Bloom-Carlin@cicchicago.com for more information!



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	Tier 1	Tier 2	Tier 3 <i>(Limited Availability)</i>
Required Affordability	15% Requirement can be met through market rents, renting to tenants with vouchers, or participating in another affordable housing program.	35% Requirement can be met through market rents, renting to tenants with vouchers, or participating in another affordable housing program.	20% Requirement can be met through market rents, renting to tenants with vouchers, or participating in another affordable housing program.
Affordability Level	60% of Area Median Income (AMI).	60% of Area Median Income (AMI).	60% of Area Median Income (AMI).
Tax Incentive	25% reduction in assessed value	35% reduction in assessed value	Years 1-3: reduction equal to 100% of the difference between the value one year before the affordable units are occupied and post-construction assessed value Years 4-6: 80% of the difference Years 7-9: 60% of the difference Years 10-12: 40% of the difference Years 13-30: 20% of the difference
Qualifying Activity	New construction and rehab costing \$8/sq ft and improvements of two primary building systems	New construction and rehab costing \$12.50/sq ft and improvements of two primary building systems	New construction and rehab costing \$60/sq ft and improvements of five primary building systems
Minimum Building Size	7 units	7 units	7 units
Duration	10 years, with two renewable 10 year periods for a total of 30 years	10 years, with two renewable 10 year periods for a total of 30 years	30 years
Availability	By right anywhere in Cook County. Apply via the Cook County Assessor's website.	By right anywhere in Cook County. Apply via the Cook County Assessor's website.	Only Downtown Chicago & suburban communities IHDA designates as "low-affordability." Apply via the Cook County Assessor's website.

Apply via the Cook County Assessor's website at

<https://www.cookcountyassessor.com/affordable-housing>