Affordable Housing Special Assessment Program

PROPERTY TAX INCENTIVE FOR MULTIFAMILY BUILDINGS IN COOK COUNTY

The **Affordable Housing Special Assessment Program** (AHSAP) is Cook County's implementation of Illinois' statewide property tax incentive policy. The program **lowers the assessed value** of eligible newly built or rehabilitated multifamily rental properties in exchange for **reserving a portion of units as affordable**, thereby reducing property taxes and supporting the creation and preservation of affordable housing.

The policy is part of a landmark affordable housing omnibus that passed the Illinois General Assembly in 2021 and was updated in 2025. The **Preservation Compact** developed the incentive alongside partners including **Housing Action Illinois**, **Illinois Housing Council**, **Metropolitan Planning Council**, and **Enterprise Community Partners**. Click **here** for more information!

THE PROPERTY TAX LEGISLATION:

- Keeps rents affordable in higher cost markets, promotes investment in lower cost markets
- Applies to both market rate and affordable developers
- Implemented in Cook County (other counties can opt-out by a vote of the county)

KEY PROVISIONS:

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

- Are new construction or had qualifying rehab within the last 2 years, and
- Keep a portion of units affordable to households at or below 60% of Area Median Income (AMI). Affordability requirements can be met through market rents, leasing to tenants with Housing Choice (Section 8) Vouchers or other affordable housing programs.
  - When using an affordable housing program to meet the requirement, only the tenant-paid rent must fall below the 60% AMI level.
- Establishes tiers of affordability and reductions in assessed value (see table on page 2 for details)
  - **15% or more affordability** results in a **25% decrease in assessed value**
  - **35% or more affordable units** results in a **35% reduction in assessed value**
  - See table for a 20% affordability tier – available on a more limited basis

HOW TO APPLY:

- The Cook County Assessor's Office **accepts applications for AHSAP on a rolling basis.** **Apply here**!
  - Submit parts 1 and 2 of the application no later than September 5th of the same assessment year for the reduction to be reflected on next year's second installment bill.
- **Already Participating in the Program?** Properties reaching the end of their 30-year eligibility before Dec. 31, 2025 may stay in the program if they reapply by Dec. 31, 2026.
- **Own properties outside of Cook County**? The incentive applies statewide unless counties opt out. Property owners outside Cook County should contact their local assessor.
  - The Preservation Compact can provide support where local awareness or implementation is limited; call 312-258-0070.

****Portfolios with 7 rental units across 2 or more multifamily buildings*** *qualify if the units are under common ownership and participate, as a whole, in a qualifying income-based subsidy program or be subject to a regulatory agreement that imposes affordability restrictions.*

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	Tier 1	Tier 2	Tier 3 (Limited Availability)
Required Affordability	15% of units	35% of units	20% of units
	Affordability requirement can be met through market rents, renting to tenants with vouchers, or participating in another affordable housing program. When using another affordable housing program to meet the requirement, ***only the tenant-paid rent must fall below the 60% AMI level.***		
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 the value of the property one year before construction commences and the value of the property after completion of construction and the building is placed in service 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 (D zoning districts) and areas IHDA designates as "low-affordability" or Chicago designates by local ordinance.

*For work completed beginning on after January 1, 2022, the combined expenditure amount shall be the original expenditure for each tier ($8sq/ft, $12.50sq/ft, and $60sq/ft) multiplied by one plus the Consumer Price Index (CPI) during the immediately preceding calendar year rounded to the nearest penny.

Scan here to visit the Cook County Assessor's Office website to apply to AHSAP

Scan here to visit the Compact's website to learn more about the incentive