



Chicago Metropolitan Agency for Planning

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MEMORANDUM

To: CMAP Board

From: Piotr Wietrzak
Director, Finance and Administration

Date: March 8, 2023

Re: Contract approval with University of Illinois at Chicago, College of Urban Planning and Public Affairs (UIC) in the amount of \$267,660 for the Cook County Property Tax Working Group

Given limited public resources, municipal governments across northeastern Illinois are looking for strategies to strengthen their economic vitality. This includes the extensive use of homestead exemptions, development tax incentives, and other forms of property tax relief intended to promote private investment, housing security, a stable tax base, and jobs. Cook County provides exemptions and incentive classifications for certain eligible properties to lower taxable values and final bills for some taxpayers.

ON TO 2050, the region's comprehensive plan, recommends modernizing tax policies to support a larger program of sustainable regional economic development. Ultimately, structural reforms will be necessary to expand communities' revenue options, spur investment and jobs in disinvested areas, reduce the need for incentives, and balance property tax burdens gradually over time. But more immediate legislative and administrative changes can improve local practices and improve returns on public expenditures.

The Cook County Property Tax Working Group ("Working Group") is investigating ways to ensure current practices continue to meet their stated objectives in a fair, equitable, transparent, effective, efficient, and understandable way. In collaboration with the Working Group, CMAP and UIC will assess the current administration and effects of property tax relief tools, benchmark these findings against peer jurisdictions and best practices, and make recommendations for potential changes in law or policy.

CMAP staff is seeking approval to enter into an agreement with the UIC for a not-to-exceed cost of \$267,660 to assist CMAP in its research regarding tax exemptions and incentive classifications and abatements. Support for this three-year project will be provided by a Cook County grant for this purpose.

ACTION REQUESTED: Approval