

QUOTES FROM ASSESSOR BERRIOS:

This is definitely the biggest evaluation ever done, involving the most homes, on the possible effects of airport noise on property values near O'Hare because it is the first there. My office has a responsibility to serve taxpayers, wherever they live. We could have quietly sat out of the discussion of this topic, and that would be easy. It would also be wrong not to fulfill our responsibility.

It is important to note that homeowners near O'Hare had always asked for this evaluation and possible reductions. They welcomed our promised review of sales data and many have already told my office and me personally that they appreciate this effort very much.

[Note A Midway-area evaluation of airport noise and property values was done in the late 1990s. It was not as big as this O'Hare-area evaluation...and no reductions were granted near Midway at that time.]

- 1) How many homeowners got letters telling them O'Hare jet noise has led to a reduction in their 2016 assessed valuation? **8,096.**
- 1a.) If possible, can you break this down by homes vs multi-unit buildings of six or fewer units? **Single-family: 7,792. Multiple-unit bldgs. (six units or less): 304.**
- 2) How many are getting a 4 percent reduction vs a 5 percent reduction? **Four per cent (4%): 6,082 [6,508 are single-family.] Five per cent (5%): 1,294 [All but 10 are single-family.]**
- 3) Do you have a map you can share that outlines the 4 percent reduction area vs the 5 percent reduction area. **Sent in a separate email.**
- 4) Can you translate this reduction into an average dollar savings per tax bill per property or home? **No, because the Assessor's Office does not decide tax rates and tax levies. Our only area of authority is assessment of property. What individual taxing bodies (school districts, villages, towns, et al) decide to do with rates and levies is up to them. The Assessor does not decide the dollar amount of tax bills.**
- 5) Why is Norwood Park Township the first township to get this 2016 break? **One reason and one reason only: among the four townships affected by airport noise, Norwood Park Township was first up in the assessment cycle. In turn, part of Maine Township, part of Leyden Township and part of Jefferson Township (in the City of Chicago) will be addressed in the coming weeks and months this Fall. Jefferson Township is the ONLY Chicago township which will receive reductions.**

By the way, we don't see this as a "break," because that connotes something handed out for undeserved reasons or something otherwise untoward. Thank you for considering this. What CCAO is doing is simply the factoring in of clear effects on the market. These decisions reflect an evaluation process which took into account various market factors and behavior, which has led to the conclusion that there was a statistically discernable adverse impact identified by actual sales data.

6.) What other townships will get this break in 2016? As said in response to 5), we don't see this as a "break," because that connotes something handed out for undeserved reasons or something otherwise untoward. Thank you for considering this. Anyway, there are three additional townships, as detailed in 5. and they will be parts of those townships townships.

7.) How many total townships do you expect to see such reductions? Four, though only one (Norwood Park Township) is entirely affected. Remember, only single-family homes and non-condominium buildings with six units or less are receiving these reductions.

In what tax years will those reductions start? **Now**--that is, Tax Year 2016 Assessed Value, billed and due in calendar year 2017.

8) How will taxes on other Cook County property owners be affected by the loss in revenue created by this Norwood Park Township reduction in assessed valuation? **It's impossible to say but please keep in mind this statistic: Cook County billed \$13.019 billion in property taxes for Tax Year 2015. Keeping in mind that the entire Cook County property tax collection was \$13.019 billion in the current-billed year, the effect of these reductions will be miniscule.**

9) Before this reduction, by what percent did the average home in Norwood Park township increase in 2016 assessed valuation? **16% to 20%.**

10) Please provide some evidence that home sale prices dropped in Norwood Park Township after new O'Hare flight paths debuted in October 2013.

We looked at sales to establish a benchmark for activity both *before and after* the runway configuration. This is what we looked at:

2011 Sales: 140 (Coming out of the foreclosure crisis/housing crash.)

2012 Sales: 204 (Slowly recovering real estate market[s] in Cook County.)

2013 Sales: 246

Total 590 for these three years.

2014 Sales: 238 (More robust activity in the real estate market)

2015 Sales: 269

2016 Sales: 157 (Partial year of five to six months.)

Total 664 for these 2.5 years.]

2011-2016 Sales evaluated: 1,254 [These sales represent over 14% of all residential property in the township. This is a very solid representation of market activity. The breakdown in years into a pair of three-year periods roughly matches the timetable of runway reconfiguration.]

11) The contour is based on jet noise impact AFTER another runway and a runway extension, both in the north airfield, are completed, which won't be until 2021. What role did the 2021 noise contour play on 2016 taxes? **None. It would be speculative, to make evaluations based on possible or anticipated future events. Please also see answers 5 and 10.**

12.) How many additional homes/properties in Maine, Leyden and Jefferson Park Township are estimated to be getting 2016 assessment reductions? **We have not yet completed work on the parts of those townships which will be receiving letters.**

13.) Can you translate this reduction into an average dollar savings per tax bill per property or home? No, because the Assessor's Office does not decide tax rates and tax levies. Our only area of authority is assessment of property. What individual taxing bodies (school districts, villages, towns, et al) decide to do with rates and levies is up to them. The Assessor does not decide the dollar amount of tax bills.

If folks think about this for a moment, they'll realize why it is impossible for anyone to produce even an estimated dollar amount at this time. The Cook County Treasurer hasn't yet issued bills for Tax Year 2016 (they go out in 2017). At that time, they can total the taxes billed and also the previous tax bill for each PIN. Only then can a comparison (addition or subtraction) be made.

14.) Again, when was the last time these many homeowners got property tax reductions? Separate from the normal appeal process or flood-related reductions in AV, there has *never been an effort of this magnitude*. **Assessor Berrios believes it is important to do this. He could have sat out this issue but instead is choosing to lead.**

The median reduction in the 4% category is 1,065 in assessed value.

The median reduction in the 5% category is 1,841 in assessed value.

15.) **ADDING THIS, WHICH SHOULD HELP:** The total Assessed Valuation (AV) of all property in Norwood Park Township for 2015 was \$301,901,285 (301-million, 901-thousand-two-hundred-eight-five dollars). Of that, the non-condominium residential total assessed valuation (the types of homes getting these reductions) was \$205,665,010. So, again, the effect of these reductions will be miniscule.

The aggregate AV for the entire Norwood Park Township went up 16% to 20% in the most recent reassessment there. Reducing that by 4% and 5% due to airport noise is miniscule. What the Assessor's Office is doing does, indeed, help –and it is unprecedented- but it is simply that which is supported by market sales data.

16.) Is it correct to say that this is the largest number of people ever impacted by an airport-related tax break in Cook County history? Yes, because it is the first time reductions are being given. Please keep in mind, the reductions are all about a market analysis of sales in the “noise” area. This is biggest evaluation effort, ever, by CCAO.

17.) If not, can you please explain in what way, if any, this is a first? A similar sales study of impact-on-value was done in the Midway Airport-area in the late 1990s. That study did not result in reductions. So, again, actually concluding that reductions are in order has never been done. Also, this study is bigger than the Midway-area study. Or did thousands of suburban residents also get such a break after O'Hare was built and runways pointed at them were used? **We have no historic record of even an examination/review, let alone a “break.”**

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