COOK COUNTY & ILLINOIS DEVELOPMENT INCENTIVES · 2026

The Great Silent Shift

A Story of Taxation Without Representation

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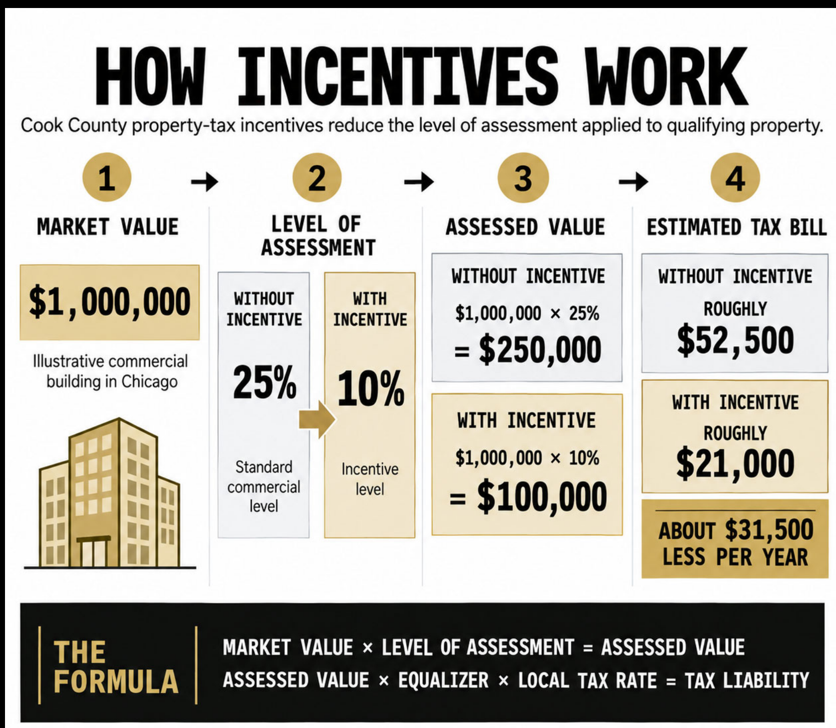
Every year, hundreds of millions in property-tax burden move quietly from one set of parcels to another **— through incentives, AHSAP, and TIF. The taxpayers who absorb it never vote on it, and the taxing bodies that backfill it are never at the table.**

Cook County commercial/industrial incentives



WHERE THE AUTHORITY COMES FROM

- Illinois Constitution of 1970 – authority to classify
- Illinois Property Tax Code – classification by ordinance in counties over 200,000
- Cook County Real Property Assessment Classification Ordinance, Chapter 74, Article II, Division 2

Incentives enacted 1984 under Assessor Thomas C. Hynes.

THE SHIFT · PART 1 — COMMERCIAL/INDUSTRIAL INCENTIVES

Cook County incentives — the whole county

COUNTY-WIDE · CLASS 6/7/8

2025 AV & MV · 2025 equalized rates

$611.8M / yr

$6.1B / 10 yrs

$18.4B / 30 yrs

4,698 incentive PINs

WHAT THE NUMBER IS

The tax burden lifted off 4,698 incentive parcels in 2025 and redistributed onto every other parcel in their taxing districts. **A levy is zero-sum** — the districts still need the same dollars, so the discount one parcel receives becomes a surcharge everyone else pays.

Floor, not ceiling: *Landmark, Contamination, and Solar aren't fully separable in the Assessor's data — some ride inside major Class 5 and are not considered here.*

The same incentives — Chicago alone

CITY OF CHICAGO · CLASS 6/7/8

subset of the county figure

$122.9M / yr

$1.23B / 10 yrs

$3.69B / 30 yrs

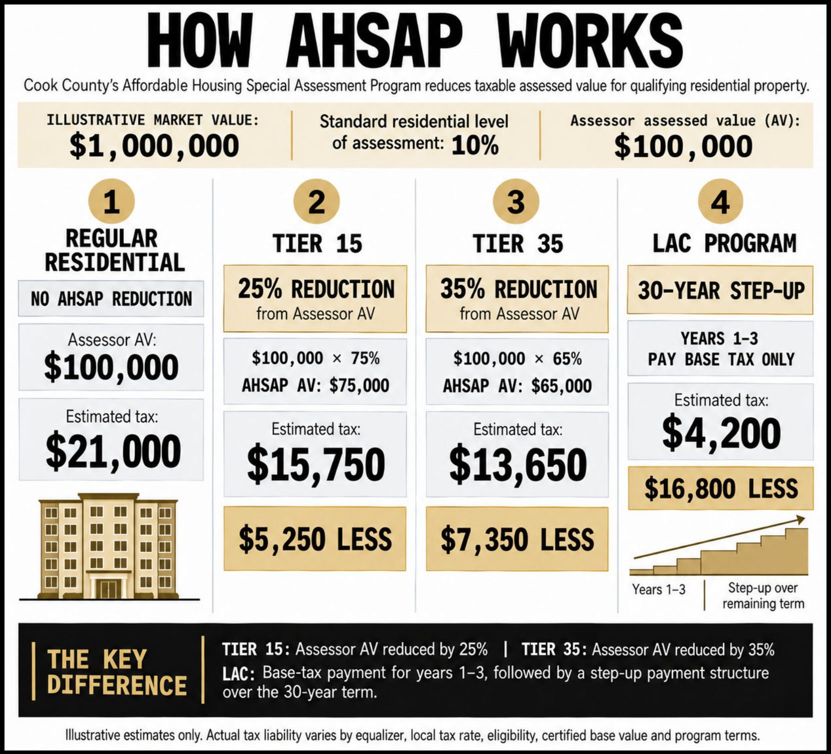
727 incentive PINs

HOLD THIS NUMBER

$122.9M a year

is what more than **three decades** of Cook County's incentive system shifts within Chicago today. Keep it in mind — because a four-year-old program is about to be laid beside it.

Affordable Housing Special Assessment Program



WHERE THE AUTHORITY COMES FROM

Illinois Property Tax Code - 35 ILCS 200/15-178. Affordable Housing Special Assessment Programs.

Passed in 2021.

Affordable Housing Special Assessment Program in Chicago

CITY OF CHICAGO · AHSAP

SAP15 · SAP35 · LAC

$160.8M / yr

$1.42B / 10 yrs

$4.48B / 30 yrs

state-created · file directly with the Assessor

BY PROGRAM · ANNUAL

SAP35	$101.2M / yr
SAP15	$41.2M / yr
LAC	$18.4M / yr

No municipal resolution. No EDAC. No County Board.
No taxing body votes on any of it.

THE SHIFT · INCENTIVES v. AHSAP

Five years vs. forty years

COOK COUNTY INCENTIVES

40+ years old

$122.9M / yr

AHSAP

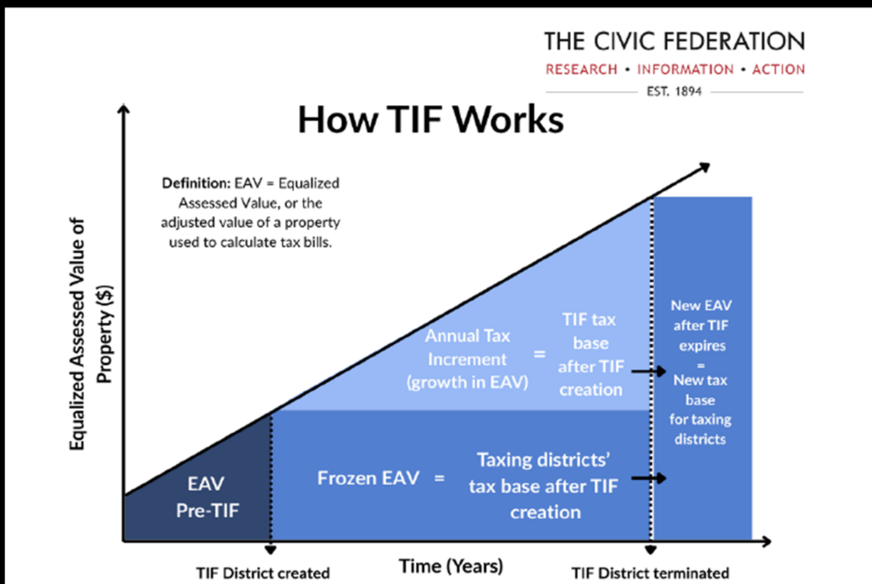
~5 years old

$160.8M / yr

THE POINT

In Chicago, a program that is **five years old already shifts more burden per year ($160.8M) than the entire classified-incentive system built over four decades ($122.9M).** Same city, same silence — and the newer program is the faster one. Neither was ever put to the taxing bodies for a vote, and AHSAP does not even require municipal approval.

Tax Increment Financing — the oldest, largest shift



WHAT IS A TIF?

- Tax Increment Financing
- Economic development tool
- Available to municipalities
- Requires finding of ‘blight’ or ‘conservation area’
- Creates a revenue source to fund improvements in a designated area
- Significant revenue consequences for other taxing districts

Where the authority comes from: **Illinois Municipal Code - 65 ILCS 11-74. Enacted in 1977.**

Tax Increment Financing — Blight

BLIGHTING FACTORS

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Structures below minimum code
5. Illegal use of structures
6. Excessive vacancies
7. Lack of ventilation, light or sanitary
8. Inadequate utilities
9. Excessive land coverage/overcrowding
10. Deleterious land use & layout
11. Environmental clean-up
12. Lack of community planning
13. Declining EAV in 3 of last 5 years

FINDING OF BLIGHT

- For a ‘blighted area’ – must demonstrate 5 or more of the 13 factors
- For a ‘conservation area’ – must find 3 or more of the factors
- Factors must be ‘present to a meaningful extent’ and ‘reasonably distributed’
- Municipality will retain a TIF consultant to establish eligibility

THE SHIFT · PART 3 — TIF

Tax Increment Financing — the oldest, largest shift

COOK COUNTY TIF · TAX YEAR 2024

[$1.8 B / year]

The Treasurer reports TIF revenue over **$1.8B for TY2024 in Cook County**, a **1034% increase from 1994** when TIF revenue was only $160 million. **9.4% of all Cook County property taxes** go to TIF districts.

1,488 TIF DISTRICTS IN ILLINOIS AS OF 2025

108 in the City of Chicago
284 in suburban Cook County
233 in Collar Counties
863 in the other 96 counties

Why it matters: when the total levy in Cook County was $19.2 billion in 2024, TIF shifting accounts for 9.4% of that total budget County-wide.

↑ *Sources: Civic Federation TIF Primer [3/25/2026] and Treasurer Pappas 30-year property tax study [3/2026]*

Tax Increment Financing — concerns

LONGEVITY OF TIF DISTRICTS

23 year term

↑ Plus a possible 12-year extension

Can be expanded for up to **35 years** from the initially-intended 23-year-term.

MISSION CREEP

Burden shifting: shifts the tax burden across multiple communities with no access to “new property” EAV for the life of the TIF.

Hidden tax increase: over time, TIF’s raise the tax rate without raising revenues for other taxing bodies.

TIF surplus funds: this is a major topic of debate in Chicago.

Tax Increment Financing — Joint Review Board

CONVENED BY MUNICIPALITY

Representatives from community college, schools, park, library, fire protection, township, county, municipality, and a “public member”

→

DISCUSSION

Eligibility and other issues.

→

RECOMMENDATION

If not recommended, municipal approval must be 3/5 rather than simple majority.

Participation: includes input from taxing bodies other than the municipality.

THE ANSWER — GIVE THE SILENT A VOTE

The megadevelopment bill: everyone at the table

HB5802 · THE MEGADEVELOPMENT BILL

The first Illinois instrument to make taxing-body negotiation part of the deal.

- A local review board of the affected taxing districts must approve the agreement.
- Weighted vote — schools hold the largest single share; no body exceeds 50%.
- A special payment flows to the districts, with a share carved out for property-tax relief.
- The deal isn't signed until the people who pay for it have voted on it.

THE PRINCIPLE, APPLIED EVERYWHERE

If a megaproject's beneficiaries must face the taxing bodies before the shift is granted, **why not incentives, AHSAP, and TIF too?** Same silence today; same fix available.

AN HONEST NOTE

HB5802 likely won't survive veto session. That's not the point — the **architecture** is. Cook County can adopt the model without waiting for Springfield.

THE ASK

End the silence.

Incentives, AHSAP, and TIF move **billions of dollars a year** of tax burden onto taxpayers who never voted for it, backfilled by taxing bodies who were never asked. The mechanisms differ; the silence is the same.

The megadevelopment bill shows the way: **put every one of these programs to the taxing bodies before the shift is granted.**

> ***“If you don't claim your seat at the table, someone else will take it.”***