

**House Bill 2621 – Affordable Housing Property Tax Incentive to be Implemented by Cook County Assessor**

Illinois General Assembly [landing page](#)

[Full Text of the Bill](#)

Relevant Text (Section 920) placed below

**Summary**

- (1) The Cook County Assessor will implement a special assessment program to reduce the assessed value of all eligible newly constructed or rehabilitated real property
- (2) The subject property must have affordable units placed into the program for a minimum of 10 years to receive the benefit, but the program can extend as long as 30 years
- (3) This program only applies to buildings with 7 or more units, and is priced in two ways:
  - a. If the owner places the units into the program for 10 years, they receive the following reduction:
    - i. If the property owner places 15% to 35% of their units into this program for at least 10 years, they will have their assessed value of the property lowered by 25%
    - ii. If the property owner places 35% of their units into this program for at least 10 years, they will have their assessed value of the property lowered by 35%.
  - b. If the owner agrees to place the units into the program for 30 years, they receive the following reduction:
    - i. Years 1-3: 100% reduction based on difference between current year assessment (with affordable housing) and base assessment
    - ii. Years 4-6: 80% reduction
    - iii. Years 7-9: 60% reduction
    - iv. Years 10-12: 40% reduction
    - v. Years 13-30: 20% reduction
- (4) Specific applications will be available starting in 2022, with the first discount applied in tax year 2023

Appendix: Relevant Text:

13 (35 ILCS 200/15-178 new)  
14 Sec. 15-178. Reduction in assessed value for affordable  
15 rental housing construction or rehabilitation.  
16 (a) The General Assembly finds that there is a shortage of  
17 high quality affordable rental homes for low-income and  
18 very-low-income households throughout Illinois; that owners  
19 and developers of rental housing face significant challenges  
20 building newly constructed apartments or undertaking  
21 rehabilitation of existing properties that results in rents  
22 that are affordable for low-income and very-low-income  
23 households; and that it will help Cook County and other parts  
24 of Illinois address the extreme shortage of affordable rental  
25 housing by developing a statewide policy to determine the

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1 assessed value for newly constructed and rehabilitated  
2 affordable rental housing that both encourages investment and  
3 incentivizes property owners to keep rents affordable.  
4 (b) Each chief county assessment officer shall implement  
5 special assessment programs to reduce the assessed value of  
6 all eligible newly constructed residential real property or  
7 qualifying rehabilitation to all eligible existing residential  
8 real property in accordance with subsection (c) for 10 taxable  
9 years after the newly constructed residential real property or  
10 improvements to existing residential real property are put in  
11 service. Any county with less than 3,000,000 inhabitants may  
12 decide not to implement one or both of the special assessment  
13 programs defined in subparagraph (1) of subsection (c) of this  
14 Section and subparagraph (2) of subsection (c) of this Section  
15 upon passage of an ordinance by a majority vote of the county  
16 board. Subsequent to a vote to opt out of this special  
17 assessment program, any county with less than 3,000,000  
18 inhabitants may decide to implement one or both of the special

19 assessment programs defined in subparagraph (1) of subsection  
 20 (c) of this Section and subparagraph (2) of subsection (c) of  
 21 this Section upon passage of an ordinance by a majority vote of  
 22 the county board. Property is eligible for the special  
 23 assessment program if and only if all of the following factors  
 24 have been met:  
 25 (1) at the conclusion of the new construction or  
 26 qualifying rehabilitation, the property consists of a

1 newly constructed multifamily building containing 7 or  
 2 more rental dwelling units or an existing multifamily  
 3 building that has undergone qualifying rehabilitation  
 4 resulting in 7 or more rental dwelling units; and  
 5 (2) the property meets the application requirements  
 6 defined in subsection (f).  
 7 (c) For those counties that are required to implement the  
 8 special assessment program and do not opt out of such special  
 9 assessment program, the chief county assessment officer for  
 10 that county shall require that residential real property is  
 11 eligible for the special assessment program if and only if one  
 12 of the additional factors have been met:  
 13 (1) except as defined in subparagraphs (E), (F), and  
 14 (G) of paragraph (1) of subsection (f) of this Section,  
 15 prior to the newly constructed residential real property  
 16 or improvements to existing residential real property  
 17 being put in service, the owner of the residential real  
 18 property commits that, for a period of 10 years, at least  
 19 15% of the multifamily building's units will have rents as  
 20 defined in this Section that are at or below maximum rents  
 21 and are occupied by households with household incomes at  
 22 or below maximum income limits; or  
 23 (2) except as defined in subparagraphs (E), (F), and  
 24 (G) of paragraph (1) of subsection (f) of this Section,

25 prior to the newly constructed residential real property  
26 or improvements to existing residential real property

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1 located in a low affordability community being put in  
2 service, the owner of the residential real property  
3 commits that, for a period of 30 years after the newly  
4 constructed residential real property or improvements to  
5 existing residential real property are put in service, at  
6 least 20% of the multifamily building's units will have  
7 rents as defined in this Section that are at or below  
8 maximum rents and are occupied by households with  
9 household incomes at or below maximum income limits.

10 If a reduction in assessed value is granted under one  
11 special assessment program provided for in this Section, then  
12 that same residential real property is not eligible for an  
13 additional special assessment program under this Section at  
14 the same time.

15 (d) The amount of the reduction in assessed value for  
16 residential real property meeting the conditions set forth in  
17 subparagraph (1) of subsection (c) shall be calculated as  
18 follows:

19 (1) if the owner of the residential real property  
20 commits for a period of at least 10 years that at least 15%  
21 but fewer than 35% of the multifamily building's units  
22 have rents at or below maximum rents and are occupied by  
23 households with household incomes at or below maximum  
24 income limits, the assessed value of the property used to  
25 calculate the tax bill shall be reduced by an amount equal  
26 to 25% of the assessed value of the property as determined

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1 by the assessor for the property in the current taxable  
 2 year for the newly constructed residential real property  
 3 or based on the improvements to an existing residential  
 4 real property; and  
 5 (2) if the owner of the residential real property  
 6 commits for a period of at least 10 years that at least 35%  
 7 of the multifamily building's units have rents at or below  
 8 maximum rents and are occupied by households with  
 9 household incomes at or below maximum income limits, the  
 10 assessed value of the property used to calculate the tax  
 11 bill shall be reduced by an amount equal to 35% of the  
 12 assessed value of the property as determined by the  
 13 assessor for the property in the current assessment year  
 14 for the newly constructed residential real property or  
 15 based on the improvements to an existing residential real  
 16 property.  
 17 (e) The amount of the reduction for residential real  
 18 property meeting the conditions set forth in subparagraph (2)  
 19 of subsection (c) shall be calculated as follows:  
 20 (1) for the first, second, and third taxable year  
 21 after the residential real property is placed in service,  
 22 the residential real property is entitled to a reduction  
 23 in its assessed value in an amount equal to the difference  
 24 between the assessed value in the year for which the  
 25 incentive is sought and the assessed value for the  
 26 residential real property in the base year;

1 (2) for the fourth, fifth, and sixth taxable year  
 2 after the residential real property is placed in service,  
 3 the property is entitled to a reduction in its assessed  
 4 value in an amount equal to 80% of the difference between  
 5 the assessed value in the year for which the incentive is  
 6 sought and the assessed value for the residential real

7 property in the base year;  
8 (3) for the seventh, eighth, and ninth taxable year  
9 after the property is placed in service, the residential  
10 real property is entitled to a reduction in its assessed  
11 value in an amount equal to 60% of the difference between  
12 the assessed value in the year for which the incentive is  
13 sought and the assessed value for the residential real  
14 property in the base year;  
15 (4) for the tenth, eleventh, and twelfth taxable year  
16 after the residential real property is placed in service,  
17 the residential real property is entitled to a reduction  
18 in its assessed value in an amount equal to 40% of the  
19 difference between the assessed value in the year for  
20 which the incentive is sought and the assessed value for  
21 the residential real property in the base year; and  
22 (5) for the thirteenth through the thirtieth taxable  
23 year after the residential real property is placed in  
24 service, the residential real property is entitled to a  
25 reduction in its assessed value in an amount equal to 20%  
26 of the difference between the assessed value in the year

1 for which the incentive is sought and the assessed value  
2 for the residential real property in the base year.  
3 (f) Application requirements.  
4 (1) In order to receive the reduced valuation under  
5 this Section, the owner must submit an application  
6 containing the following information to the chief county  
7 assessment officer for review in the form and by the date  
8 required by the chief county assessment officer:  
9 (A) the owner's name;  
10 (B) the postal address and permanent index number  
11 or numbers of the parcel or parcels for which the owner  
12 is applying to receive reduced valuation under this

13	<u>Section;</u>
14	<u>(C) a deed or other instrument conveying the</u>
15	<u>parcel or parcels to the current owner;</u>
16	<u>(D) written evidence that the new construction or</u>
17	<u>qualifying rehabilitation has been completed with</u>
18	<u>respect to the residential real property, including,</u>
19	<u>but not limited to, copies of building permits, a</u>
20	<u>notarized contractor's affidavit, and photographs of</u>
21	<u>the interior and exterior of the building after new</u>
22	<u>construction or rehabilitation is completed;</u>
23	<u>(E) written evidence that the residential real</u>
24	<u>property meets local building codes, or if there are</u>
25	<u>no local building codes, Housing Quality Standards, as</u>
26	<u>determined by the United States Department of Housing</u>

1	<u>and Urban Development;</u>
2	<u>(F) a list identifying the affordable units in</u>
3	<u>residential real property and a written statement that</u>
4	<u>the affordable units are comparable to the market rate</u>
5	<u>units in terms of unit type, number of bedrooms per</u>
6	<u>unit, quality of exterior appearance, energy</u>
7	<u>efficiency, and overall quality of construction;</u>
8	<u>(G) a written schedule certifying the rents in</u>
9	<u>each affordable unit and a written statement that</u>
10	<u>these rents do not exceed the maximum rents allowable</u>
11	<u>for the area in which the residential real property is</u>
12	<u>located;</u>
13	<u>(H) documentation from the administering agency</u>
14	<u>verifying the owner's participation in a qualifying</u>
15	<u>income-based rental subsidy program as defined in</u>
16	<u>subsection (e) of this Section if units receiving</u>
17	<u>rental subsidies are to be counted among the</u>
18	<u>affordable units in order to meet the thresholds</u>

19           defined in this Section;  
20                 (I) a written statement identifying the household  
21                 income for every household occupying an affordable  
22                 unit and certifying that the household income does not  
23                 exceed the maximum income limits allowable for the  
24                 area in which the residential real property is  
25                 located;  
26                 (J) a written statement that the owner has

1                 verified and retained documentation of household  
2                 income for every household occupying an affordable  
3                 unit; and  
4                 (K) any additional information consistent with  
5                 this Section as reasonably required by the chief  
6                 county assessment officer, including, but not limited  
7                 to, any information necessary to ensure compliance  
8                 with applicable local ordinances and to ensure the  
9                 owner is complying with the provisions of this  
10                 Section.

11                 (1.1) In order for a development to receive the  
12                 reduced valuation under subsection (e), the owner must  
13                 provide evidence to the county assessor's office of a  
14                 fully executed project labor agreement entered into with  
15                 the applicable local building trades council, prior to  
16                 commencement of any and all construction, building,  
17                 renovation, demolition, or any material change to the  
18                 structure or land.

19                 (2) The application requirements contained in  
20                 paragraph (1) of subsection (f) are continuing  
21                 requirements for the duration of the reduction in assessed  
22                 value received and may be annually or periodically  
23                 verified by the chief county assessment officer for the  
24                 county whereby the benefit is being issued.



25                   (3) In lieu of submitting an application containing  
26                   the information prescribed in paragraph (1) of subsection

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1                   (f), the chief county assessment officer may allow for  
2                   submission of a substantially similar certification  
3                   granted by the Illinois Housing Development Authority or a  
4                   comparable local authority provided that the chief county  
5                   assessment officer independently verifies the veracity of  
6                   the certification with the Illinois Housing Development  
7                   Authority or comparable local authority.

8                   (4) The chief county assessment officer shall notify  
9                   the owner as to whether or not the property meets the  
10                   requirements of this Section. If the property does not  
11                   meet the requirements of this Section, the chief county  
12                   assessment officer shall provide written notice of any  
13                   deficiencies to the owner, who shall then have 30 days  
14                   from the date of notification to provide supplemental  
15                   information showing compliance with this Section. The  
16                   chief county assessment officer shall, in its discretion,  
17                   grant additional time to cure any deficiency. If the owner  
18                   does not exercise this right to cure the deficiency, or if  
19                   the information submitted, in the sole judgment of the  
20                   chief county assessment officer, is insufficient to meet  
21                   the requirements of this Section, the chief county  
22                   assessment officer shall provide a written explanation of  
23                   the reasons for denial.

24                   (5) The chief county assessment officer may charge a  
25                   reasonable application fee to offset the administrative  
26                   expenses associated with the program.

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1           (6) The reduced valuation conferred by this Section is  
2           limited as follows:  
3           (A) The owner is eligible to apply for the reduced  
4           valuation conferred by this Section beginning in the  
5           first assessment year after the effective date of this  
6           amendatory Act of the 102nd General Assembly through  
7           December 31, 2027. If approved, the reduction will be  
8           effective for the current assessment year, which will  
9           be reflected in the tax bill issued in the following  
10           calendar year. Owners that are approved for the  
11           reduced valuation under paragraph (1) of subsection  
12           (c) of this Section before December 31, 2027 shall, at  
13           minimum, be eligible for annual renewal of the reduced  
14           valuation during an initial 10-year period if annual  
15           certification requirements are met for each of the 10  
16           years, as described in subparagraph (B) of paragraph  
17           (4) of subsection (d) of this Section.  
18           (B) Property receiving a reduction outlined in  
19           paragraph (1) of subsection (c) of this Section shall  
20           continue to be eligible for an initial period of up to  
21           10 years if annual certification requirements are met  
22           for each of the 10 years, but shall be extended for up  
23           to 2 additional 10-year periods with annual renewals  
24           if the owner continues to meet the requirements of  
25           this Section, including annual certifications, and  
26           excluding the requirements regarding new construction

1           or qualifying rehabilitation defined in subparagraph  
2           (D) of paragraph (1) of this subsection.  
3           (C) The annual certification materials in the year  
4           prior to final year of eligibility for the reduction  
5           in assessed value must include a dated copy of the  
6           written notice provided to tenants informing them of

7           the date of the termination if the owner is not seeking  
8           a renewal.

9           (D) If the property is sold or transferred, the  
10           purchaser or transferee must comply with all  
11           requirements of this Section, excluding the  
12           requirements regarding new construction or qualifying  
13           rehabilitation defined in subparagraph (D) of  
14           paragraph (1) of this subsection, in order to continue  
15           receiving the reduction in assessed value. Purchasers  
16           and transferees who comply with all requirements of  
17           this Section excluding the requirements regarding new  
18           construction or qualifying rehabilitation defined in  
19           subparagraph (D) of paragraph (1) of this subsection  
20           are eligible to apply for renewal on the schedule set  
21           by the initial application.

22           (E) The owner may apply for the reduced valuation  
23           if the residential real property meets all  
24           requirements of this Section and the newly constructed  
25           residential real property or improvements to existing  
26           residential real property were put in service on or

1           after January 1, 2015. However, the initial 10-year  
2           eligibility period or 30-year eligibility period,  
3           depending on the applicable program, shall be reduced  
4           by the number of years between the placed in service  
5           date and the date the owner first receives this  
6           reduced valuation.

7           (F) The owner may apply for the reduced valuation  
8           within 2 years after the newly constructed residential  
9           real property or improvements to existing residential  
10           real property are put in service. However, the initial  
11           10-year eligibility period or 30-year eligibility  
12           period, depending on the applicable program, shall be

13 reduced for the number of years between the placed in  
 14 service date and the date the owner first receives  
 15 this reduced valuation.

16 (G) Owners of a multifamily building receiving a  
 17 reduced valuation through the Cook County Class 9  
 18 program during the year in which this amendatory Act  
 19 of the 102nd General Assembly takes effect shall be  
 20 deemed automatically eligible for the reduced  
 21 valuation defined in paragraph (1) of subsection (c)  
 22 of this Section in terms of meeting the criteria for  
 23 new construction or substantial rehabilitation for a  
 24 specific multifamily building regardless of when the  
 25 newly constructed residential real property or  
 26 improvements to existing residential real property

1 were put in service. If a Cook County Class 9 owner had  
 2 Class 9 status revoked on or after January 1, 2017 but  
 3 can provide documents sufficient to prove that the  
 4 revocation was in error or any deficiencies leading to  
 5 the revocation have been cured, the chief county  
 6 assessment officer may deem the owner to be eligible.  
 7 However, owners may not receive both the reduced  
 8 valuation under this Section and the reduced valuation  
 9 under the Cook County Class 9 program in any single  
 10 assessment year. In addition, the number of years  
 11 during which an owner has participated in the Class 9  
 12 program shall count against the 3 10-year periods of  
 13 eligibility for the reduced valuation as defined in  
 14 subparagraph (1) of subsection (c) of this Section.

15 (H) At the completion of the assessment reduction  
 16 period described in this Section: the entire parcel  
 17 will be assessed as otherwise provided by law.

18 (e) As used in this Section:

19        "Affordable units" means units that have rents that do not  
 20 exceed the maximum rents as defined in this Section.  
 21        "Assessed value for the residential real property in the  
 22 base year" means the value in effect at the end of the taxable  
 23 year prior to the latter of: (1) the date of initial  
 24 application; or (2) the date on which 20% of the total number  
 25 of units in the property are occupied by eligible tenants  
 26 paying eligible rent under this Section.

1        "Household income" includes the annual income for all the  
 2 people who occupy a housing unit that is anticipated to be  
 3 received from a source outside of the family during the  
 4 12-month period following admission or the annual  
 5 recertification, including related family members and all the  
 6 unrelated people who share the housing unit. Household income  
 7 includes the total of the following income sources: wages,  
 8 salaries and tips before any payroll deductions; net business  
 9 income; interest and dividends; payments in lieu of earnings,  
 10 such as unemployment and disability compensation, worker's  
 11 compensation and severance pay; Social Security income,  
 12 including lump sum payments; payments from insurance policies,  
 13 annuities, pensions, disability benefits and other types of  
 14 periodic payments, alimony, child support, and other regular  
 15 monetary contributions; and public assistance, except for  
 16 assistance from the Supplemental Nutrition Assistance Program  
 17 (SNAP). "Household income" does not include: earnings of  
 18 children under age 18; temporary income such as cash gifts;  
 19 reimbursement for medical expenses; lump sums from  
 20 inheritance, insurance payments, settlements for personal or  
 21 property losses; student financial assistance paid directly to  
 22 the student or to an educational institution; foster child  
 23 care payments; receipts from government-funded training  
 24 programs; assistance from the Supplemental Nutrition

25	Assistance Program (SNAP).		
26	<u>"Low affordability community" means (1) a municipality or</u>		
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1 jurisdiction with less than 1,000,000 inhabitants in which 40%  
2 or less of its total year-round housing units are affordable,  
3 as determined by the Illinois Housing Development Authority  
4 during the exemption determination process under the  
5 Affordable Housing Planning and Appeal Act; (2) "D" zoning  
6 districts as now or hereafter designated in the Chicago Zoning  
7 Ordinance; or (3) a jurisdiction located in a municipality  
8 with 1,000,000 or more inhabitants that has been designated as  
9 a low affordability community by passage of a local ordinance  
10 by that municipality, specifying the census tract or property  
11 by permanent index number or numbers.

12 "Maximum income limits" means the maximum regular income  
13 limits for 60% of area median income for the geographic area in  
14 which the multifamily building is located for multifamily  
15 programs as determined by the United States Department of  
16 Housing and Urban Development and published annually by the  
17 Illinois Housing Development Authority.

18 "Maximum rent" means the maximum regular rent for 60% of  
19 the area median income for the geographic area in which the  
20 multifamily building is located for multifamily programs as  
21 determined by the United States Department of Housing and  
22 Urban Development and published annually by the Illinois  
23 Housing Development Authority. To be eligible for the reduced  
24 valuation defined in this Section, maximum rents are to be  
25 consistent with the Illinois Housing Development Authority's  
26 rules; or if the owner is leasing an affordable unit to a

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1 household with an income at or below the maximum income limit  
 2 who is participating in qualifying income-based rental subsidy  
 3 program, "maximum rent" means the maximum rents allowable  
 4 under the guidelines of the qualifying income-based rental  
 5 subsidy program.

6 "Qualifying income-based rental subsidy program" means a  
 7 Housing Choice Voucher issued by a housing authority under  
 8 Section 8 of the United States Housing Act of 1937, a tenant  
 9 voucher converted to a project-based voucher by a housing  
 10 authority or any other program administered or funded by a  
 11 housing authority, the Illinois Housing Development Authority,  
 12 another State agency, a federal agency, or a unit of local  
 13 government where participation is limited to households with  
 14 incomes at or below the maximum income limits as defined in  
 15 this Section and the tenants' portion of the rent payment is  
 16 based on a percentage of their income or a flat amount that  
 17 does not exceed the maximum rent as defined in this Section.

18 "Qualifying rehabilitation" means, at a minimum,  
 19 compliance with local building codes and the replacement or  
 20 renovation of at least 2 primary building systems to be  
 21 approved for the reduced valuation under paragraph (1) of  
 22 subsection (d) of this Section and at least 5 primary building  
 23 systems to be approved for the reduced valuation under  
 24 subsection (e) of this Section. Although the cost of each  
 25 primary building system may vary, to be approved for the  
 26 reduced valuation under paragraph (1) of subsection (d) of

1 this Section, the combined expenditure for making the building  
 2 compliant with local codes and replacing primary building  
 3 systems must be at least \$8 per square foot for work completed  
 4 between January 1 of the year in which this amendatory Act of  
 5 the 102nd General Assembly takes effect and December 31 of the  
 6 year in which this amendatory Act of the 102nd General

7 Assembly takes effect and, in subsequent years, \$8 adjusted by  
8 the Consumer Price Index for All Urban Consumers, as published  
9 annually by the U.S. Department of Labor. To be approved for  
10 the reduced valuation under paragraph (2) of subsection (d) of  
11 this Section, the combined expenditure for making the building  
12 compliant with local codes and replacing primary building  
13 systems must be at least \$12.50 per square foot for work  
14 completed between January 1 of the year in which this  
15 amendatory Act of the 102nd General Assembly takes effect and  
16 December 31 of the year in which this amendatory Act of the  
17 102nd General Assembly takes effect, and in subsequent years,  
18 \$12.50 adjusted by the Consumer Price Index for All Urban  
19 Consumers, as published annually by the U.S. Department of  
20 Labor. To be approved for the reduced valuation under  
21 subsection (e) of this Section, the combined expenditure for  
22 making the building compliant with local codes and replacing  
23 primary building systems must be at least \$60 per square foot  
24 for work completed between January 1 of the year that this  
25 amendatory Act of the 102nd General Assembly becomes effective  
26 and December 31 of the year that this amendatory Act of the

1 102nd General Assembly becomes effective and, in subsequent  
2 years, \$60 adjusted by the Consumer Price Index for All Urban  
3 Consumers, as published annually by the U.S. Department of  
4 Labor. "Primary building systems", together with their related  
5 rehabilitations, specifically approved for this program are:  
6 (1) Electrical. All electrical work must comply with  
7 applicable codes; it may consist of a combination of any  
8 of the following alternatives:  
9 (A) installing individual equipment and appliance  
10 branch circuits as required by code (the minimum being  
11 a kitchen appliance branch circuit);  
12 (B) installing a new emergency service, including



13	<u>emergency lighting with all associated conduits and</u>
14	<u>wiring;</u>
15	<u>(C) rewiring all existing feeder conduits ("home</u>
16	<u>runs") from the main switchgear to apartment area</u>
17	<u>distribution panels;</u>
18	<u>(D) installing new in-wall conduits for</u>
19	<u>receptacles, switches, appliances, equipment, and</u>
20	<u>fixtures;</u>
21	<u>(E) replacing power wiring for receptacles,</u>
22	<u>switches, appliances, equipment, and fixtures;</u>
23	<u>(F) installing new light fixtures throughout the</u>
24	<u>building including closets and central areas;</u>
25	<u>(G) replacing, adding, or doing work as necessary</u>
26	<u>to bring all receptacles, switches, and other</u>

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1	<u>electrical devices into code compliance;</u>
2	<u>(H) installing a new main service, including</u>
3	<u>conduit, cables into the building, and main disconnect</u>
4	<u>switch; and</u>
5	<u>(I) installing new distribution panels, including</u>
6	<u>all panel wiring, terminals, circuit breakers, and all</u>
7	<u>other panel devices.</u>
8	<u>(2) Heating. All heating work must comply with</u>
9	<u>applicable codes; it may consist of a combination of any</u>
10	<u>of the following alternatives:</u>
11	<u>(A) installing a new system to replace one of the</u>
12	<u>following heat distribution systems:</u>
13	<u>(i) piping and heat radiating units, including</u>
14	<u>new main line venting and radiator venting; or</u>
15	<u>(ii) duct work, diffusers, and cold air</u>
16	<u>returns; or</u>
17	<u>(iii) any other type of existing heat</u>
18	<u>distribution and radiation/diffusion components;</u>

19	<u>or</u>
20	<u>(B) installing a new system to replace one of the</u>
21	<u>following heat generating units:</u>
22	<u>(i) hot water/steam boiler;</u>
23	<u>(ii) gas furnace; or</u>
24	<u>(iii) any other type of existing heat</u>
25	<u>generating unit.</u>
26	<u>(3) Plumbing. All plumbing work must comply with</u>

1	<u>applicable codes. Replace all or a part of the in-wall</u>
2	<u>supply and waste plumbing; however, main supply risers,</u>
3	<u>waste stacks and vents, and code-conforming waste lines</u>
4	<u>need not be replaced.</u>
5	<u>(4) Roofing. All roofing work must comply with</u>
6	<u>applicable codes; it may consist of either of the</u>
7	<u>following alternatives, separately or in combination:</u>
8	<u>(A) replacing all rotted roof decks and</u>
9	<u>insulation; or</u>
10	<u>(B) replacing or repairing leaking roof membranes</u>
11	<u>(10% is the suggested minimum replacement of</u>
12	<u>membrane); restoration of the entire roof is an</u>
13	<u>acceptable substitute for membrane replacement.</u>
14	<u>(5) Exterior doors and windows. Replace the exterior</u>
15	<u>doors and windows. Renovation of ornate entry doors is an</u>
16	<u>acceptable substitute for replacement.</u>
17	<u>(6) Floors, walls, and ceilings. Finishes must be</u>
18	<u>replaced or covered over with new material. Acceptable</u>
19	<u>replacement or covering materials are as follows:</u>
20	<u>(A) floors must have new carpeting, vinyl tile,</u>
21	<u>ceramic, refurbished wood finish, or a similar</u>
22	<u>substitute;</u>
23	<u>(B) walls must have new drywall, including joint</u>
24	<u>taping and painting; or</u>

25	<u>(C) new ceilings must be either drywall, suspended</u>
26	<u>type, or a similar material.</u>

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1	<u>(7) Exterior walls.</u>
2	<u>(A) replace loose or crumbling mortar and masonry</u>
3	<u>with new material;</u>
4	<u>(B) replace or paint wall siding and trim as</u>
5	<u>needed;</u>
6	<u>(C) bring porches and balconies to a sound</u>
7	<u>condition; or</u>
8	<u>(D) any combination of (A), (B), and (C).</u>
9	<u>(8) Elevators. Where applicable, at least 4 of the</u>
10	<u>following 7 alternatives must be accomplished:</u>
11	<u>(A) replace or rebuild the machine room controls</u>
12	<u>and refurbish the elevator machine (or equivalent</u>
13	<u>mechanisms in the case of hydraulic elevators);</u>
14	<u>(B) replace hoistway electro-mechanical items</u>
15	<u>including: ropes, switches, limits, buffers, levelers,</u>
16	<u>and deflector sheaves (or equivalent mechanisms in the</u>
17	<u>case of hydraulic elevators);</u>
18	<u>(C) replace hoistway wiring;</u>
19	<u>(D) replace door operators and linkage;</u>
20	<u>(E) replace door panels at each opening;</u>
21	<u>(F) replace hall stations, car stations, and</u>
22	<u>signal fixtures; or</u>
23	<u>(G) rebuild the car shell and refinish the</u>
24	<u>interior.</u>
25	<u>(9) Health and safety.</u>
26	<u>(A) Install or replace fire suppression systems;</u>

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1                   (B) install or replace security systems; or  
2                   (C) environmental remediation of lead-based paint,  
3                   asbestos, leaking underground storage tanks, or radon.  
4                   (10) Energy conservation improvements undertaken to  
5                   limit the amount of solar energy absorbed by a building's  
6                   roof or to reduce energy use for the property, including,  
7                   but not limited to, any of the following activities:  
8                   (A) installing or replacing reflective roof  
9                   coatings (flat roofs);  
10                   (B) installing or replacing R-49 roof insulation;  
11                   (C) installing or replacing R-19 perimeter wall  
12                   insulation;  
13                   (D) installing or replacing insulated entry doors;  
14                   (E) installing or replacing Low E, insulated  
15                   windows;  
16                   (F) installing or replacing WaterSense labeled  
17                   plumbing fixtures;  
18                   (G) installing or replacing 90% or better sealed  
19                   combustion heating systems;  
20                   (H) installing Energy Star hot water heaters;  
21                   (I) installing or replacing mechanical ventilation  
22                   to exterior for kitchens and baths;  
23                   (J) installing or replacing Energy Star  
24                   appliances;  
25                   (K) installing or replacing Energy Star certified  
26                   lighting in common areas; or

1                   (L) installing or replacing grading and  
2                   landscaping to promote on-site water retention if the  
3                   retained water is used to replace water that is  
4                   provided from a municipal source.  
5                   (11) Accessibility improvements. All accessibility  
6                   improvements must comply with applicable codes. An owner

7	<u>may make accessibility improvements to residential real</u>
8	<u>property to increase access for people with disabilities.</u>
9	<u>As used in this paragraph (11), "disability" has the</u>
10	<u>meaning given to that term in the Illinois Human Rights</u>
11	<u>Act. As used in this paragraph (11), "accessibility</u>
12	<u>improvements" means a home modification listed under the</u>
13	<u>Home Services Program administered by the Department of</u>
14	<u>Human Services (Part 686 of Title 89 of the Illinois</u>
15	<u>Administrative Code) including, but not limited to:</u>
16	<u>installation of ramps, grab bars, or wheelchair lifts;</u>
17	<u>widening doorways or hallways; re-configuring rooms and</u>
18	<u>closets; and any other changes to enhance the independence</u>
19	<u>of people with disabilities.</u>
20	<u>(12) Any applicant who has purchased the property in</u>
21	<u>an arm's length transaction not more than 90 days before</u>
22	<u>applying for this reduced valuation may use the cost of</u>
23	<u>rehabilitation or repairs required by documented code</u>
24	<u>violations, up to a maximum of \$2 per square foot, to meet</u>
25	<u>the qualifying rehabilitation requirements.</u>