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TO: Chicago City Council
CC: Mayor Brandon Johnson
RE: O2024-0013679

Chicago City Council Members:

My name is Erika Villegas, President of the Chicago Association of REALTORS® and our over 16,500 members. As you know, housing affordability is a cornerstone of REALTOR® advocacy. That is why we are here today urging you to reconsider ANY AND ALL increases to property taxes, or the creation of new real estate taxes, to fill this budget gap.

ANY increase to property taxes will affect affordability in Chicago. One thing is certain housing costs are rapidly increasing. Chicago is already facing a housing affordability crisis – the average sales price across the city has increased by over \$125,000 in the past five years. And it's not just the cost to buy a home, but the inherent costs of homeownership. The current property tax burden on an average homeowner is estimated to be over \$9,000 a year, or \$750 a month. Add on rising utility and insurance rates, plus other taxes...and these costs are overwhelming homeowners and housing providers.

In the neighborhoods I counsel homeowners, on the south and west sides especially, headlines about a new property tax right after the holiday season will be the reason that many forego buying their first home and build generational wealth. It will be the reason many sell their home and leave the city. It will be the reason neighbors are displaced, businesses close their doors, rents and prices go up, and neighborhoods lose the fabric of community that binds them together.

Remember: it's already a certainty that Chicago property taxes will increase next year with the new CPS levy, the recently enacted recapture law, and the latest reassessment cycle. We are Chicagoans. We want the city to be in the best fiscal health possible. Of course that's true. But as Chicagoans, we look out for our neighbors. And so many are already struggling with rapidly increasing housing costs. We urge a vote not to increase property taxes.

Thank you,

Erika Villegas
President
Chicago Association of REALTORS®