



# IDFPR

## Illinois Department of Financial and Professional Regulation

Division of Real Estate

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**JB PRITZKER**  
Governor

**MARIO TRETO, JR.**  
Secretary

**LAURIE MURPHY**  
Director

### Illinois Department of Financial & Professional Regulation Real Estate Valuation Task Force OPEN Minutes

Date: September 18th, 2024

Call to Order: 11:05 a.m. –Ericka Johnson

Location: IDFPR - Division of Real Estate ("DRE")  
555 West Monroe Street 4<sup>th</sup> Floor, Peoria Room  
Chicago, IL 60661  
And  
Via Interactive Video Conference at IDFPR  
320 West Washington Street, 2<sup>nd</sup> Floor, Conference Room 258  
Springfield, IL 62786

Board Member(s) Present: Adrianna Suits Bailey, Steven Monroy, Anthony Simpkins, Ericka Johnson, Ashia Walker, Cassandra Halm.

Board Member(s) Absent: Leader Marcus Evans, Jeffery Baker, Paul Brown, Jamie Cumbie, Deborah Fears, Javier Gumucio, Dan Hofacker, Tito Quinones.

Division Staff Present: Gabriela Nicolau- DRE Deputy General Counsel, Jennifer Rossiter Moreno- DRE Operations Manager, Tia Davis- Legislative Liaison

Guest(s) Present: Gabriela Mazanares- Cozen O'Conner Strategies, Richard DeVerdier, Sarah Brune- NHS, Danielle Stanly- NHS Chicago, C Mitchell- NHS.

Topic	Discussion	Action
Call to Order	With no Chair or Vice Chair Present, Deputy Secretary Ericka Johnson opened the meeting.	The meeting was called to order at 11:05 am by Ericka Johnson
Roll Call	<p>Speaker of the House: Leader Marcus Evans- Absent</p> <p>Minority Leader of the House: Dan Hofacker- Absent</p> <p>Minority Leader of the Senate: Jeffrey Baker- Absent</p> <p>Director of the Department of Commerce and Economic Opportunity or Designee: Tito G. Quinones - Absent</p> <p>Director of Department of Human Rights or Designee: Steven Monroy - Present</p> <p>Director of Department of Revenue or Designee: Adrienne Suits Bailey - Present</p> <p>Executive Director of the Illinois Housing Development or Designee: Javier Gumucio - Absent</p> <p>Representative of Statewide Banking Association Representing banks of all asset size: Ashia Walker - Present</p> <p>Representative of Statewide Banking Association exclusively representing banks with assets below \$20,000,000,000: Jamie Cumbie - Absent</p> <p>Representative of a Statewide Association representing Credit Unions: Deborah Fears - Absent</p> <p>Representative of an Agency, Organization, or Association advocating for Fair Housing: Anthony E. Simpkins - Present</p> <p>Representative of an Agency, Organization, or Association for Consumer Protection: Cassandra Halm - Present</p> <p>Representative of a Statewide Appraisal Organization: Paul D. Brown - Absent</p> <p>Secretary of Department of Financial and Professional Regulation or Designee: Ericka D. Johnson- Present</p>	Members Leader Marcus Evans, Jamie Cumbie, Jeffery Baker, Paul Brown, Deborah Fears, Javier Gumucio, Dan Hofacker, and Tito Quinones were absent.
Approval of Minutes	Due to over half of the task force members being absent, September minutes will be voted on in the October meeting.	

Topic	Discussion	Action
<p>Progress Report Drafting Check-in</p>	<p>Miss Johnson told the task force that today's meeting would be brief and the status of where everyone is at on their assigned sections of the report due to the GA would be discussed. Miss Johnson shared her screen with the task force showing a tracking screen for the report. Miss Johnson said that the introduction is complete but that the report needs an executive summary that condenses the main points of the report. She has added the executive summary to the list of things that need to be drafted and asked if any members in the meeting would like to volunteer to write the summary. If no one on the call wants to volunteer, Miss Johnson said that she will send out an email to the entire task force asking for a volunteer and if no one does, she will do the summary. Miss Johnson then went over each section of the report. The introduction is complete. The history section was done by Danielle at NHS and that is done. Guidance and Standards was completed by Paul Brown. Collateral Underwriting is still in progress. Limited and inactive markets is complete, and Jeff Baker will be contributing a graph. Miss Johnson then addressed the group writing Reconsideration of Value and that Miss Johnson knows they met on Monday.</p> <p>Cassandra Halm said that the group did meet on Monday and that they are close to being done with their draft. That the draft just needs some fine tuning, and that Sarah Brune is editing the draft.</p> <p>Miss Brune said that she is about 80% done with the draft. That the draft just needs to be edited and some policy questions worked out.</p> <p>Miss Johnson asked if the group needs any help their section.</p> <p>Miss Brune said she did not think so and is just moving along with the document.</p> <p>Miss Johnson said that everyone is moving along nicely and went on to Evaluations of Barriers of Entry that Paul Brown and Dan Hofacker were working on. Miss Johnson said that their original draft has been handed in and edits have been given to the two on the draft. Miss Johnson went on to Racial Disparities. Miss Johnson said that the only thing left for this section is the summary of recommendations to address racial disparities. That she will be looking at this section with a critical eye because she wants everything in the initial report to come out clearly. Then, once everyone is done with their edits, they will be incorporated to the task force liking. Miss Johnson asked if everyone could turn in their edits to IDFPR by September 30th so that one document with all drafts could be made and shared with task force members. Task force members will be able to provide their edits on the one draft after everyone has turned in their sections. Miss Johnson asked if anyone has anything additional to add, questions or comments. Miss Johnson assured everyone that so far everything is going in the right direction.</p>	

Topic		Action
<p>Discuss Potential Topics for the Next Report</p>	<p>Miss Johnson addressed the task force and informed them that she was discussing with Steven Monroy the task force initial meeting that happened about a year ago and where the task force is now. That a year ago it took about 3 to 4 meetings to figure out what the task force was going to do and now things are moving quickly and the report due to the GA is almost complete. Now, the task force has resources and is in a better position to figure out what task force members want to accomplish and do for future reports. The task force can now broaden the scope of topics to look into as well as conduct possible research and ask for funds to explore certain topics. Miss Johnson said that she wants to open the discussion to the task force on where members would like to see the task force headed. One thing she did want to bring up was, during a conversation with Dr. Lopez, he mentioned disparities in property taxes and issues with the assessed value of homes on the south-side of Chicago and subsequent property taxes that are higher in that area compared to the north-side of Chicago. Miss Johnson said to general counsel Gabriela Nicolau, that the task force may need to explore the topic with the assessor's office.</p> <p>Miss Nicolau said that the task force could look at valuations in taxes and sales. That each county may be different, but the task force should include that information.</p> <p>Adrienne Suits Bailey said that she can speak on this topic. When it comes to valuation for property taxes, it is different from appraisal valuation. In taxes, values for properties are found using widespread standards. Problems occur because of the way the system is built and the assessment of value of property. In areas where there is a reduction in the value of properties, there is usually not enough properties or owners for the tax base. This issue is not just in Cook County, but in the south. However, in the south and areas close to STL, there are many exceptions. But the Department of Revenue was given a task by the General Assembly (GA) to conduct a study on reduction of value in properties and taxes.</p> <p>Miss Johnson said thank you to Miss Suits Bailey for the background information and asked if Miss Suits Bailey could talk more about the study and her expertise.</p> <p>Miss Suits Bailey said that she is the manager of the property tax division at the Department of Revenue (DOR). That she has been at DOR since 2015 and in her manager position since 2017. Miss Suits Bailey said that she interacts with county officials and often produces statistics and tables of various topics that are posted. Recently DOR was tasked by the GA to conduct a large study on taxes. That DOR will be studying the tax system as a whole and where there may be shortfalls and comparing how the rest of the state handles those shortfalls.</p> <p>Miss Johnson said that was great and said hello to Vice Chair Simpkins</p>	

Topic	Discussion	Action
	<p>VC Simpkins said sorry for joining the meeting late, he was caught in a previous meeting.</p> <p>Miss Johnson told VC Simpkins that the task force quickly went through the progress of the report and that the report is looking good. That there are just two reports that are being waited on and those should be turned in soon. That the discussion just opened on where the task force should take things in the future and that Miss Johnson bought up possibly looking into taxes. DOR was tasked by the GA to conduct a study on taxes and Miss Suits Baily was explaining. Miss Johnson said that it would be fitting for the task force to look at taxes and asked Miss Suits Bailey if she would be able to share with the group the statute for the study and where it can be found.</p> <p>Miss Suits Bailey said that the bill was SB 3455, Public Act 103-1002. The bill requires by law for DOR to conduct a study to evaluate the property tax system in the state. That the burden shift of taxes is a part of the study and something they will be looking at.</p> <p>Miss Johnson said she agrees that the burden shift is important and something the task force should look at as well. Miss Johnson said she was glad that Miss Suits Bailey mentioned east Saint Louis because , downstate can often be forgotten.</p> <p>VC Simpkins mentioned how he sits on the state's task force that looks at the tax sale process and the issues with it. That the task force makes recommendations regarding tax sales and its process. Even so, the task force should include how the tax sale process has changed and incorporate in the next report as well as discuss certificate sale to liens.</p> <p>Miss Suits Bailey mentioned a court case out of Minnesota that has changed its process. This state used to be like Illinois in the sense that if there is a tax sale, a homeowner can still lose their property after a certain amount of time. The Minnesota case found that tax sales were not the best way of conducting business. However, there were bills filed in Illinois to change tax sales, but those bills have not gone anywhere in the GA.</p> <p>VC Simpkins said that there was a big tax bill that got stalled in committee because it would have had a negative impact on taxpayers. However, in a Supreme court case where delinquent taxes were sold to someone who wasn't the homeowner, and homeowners were robbed of equity. VC Simpkins said that he would want a possibility of equity being captured by the homeowner when this tax sale happens.</p> <p>Miss Johnson asked if there were any other comments or questions for the current topic. Miss Johnson then told Miss Suits Bailey that she feels like she is going to be the go-to person for the task force when it comes to taxes.</p> <p>VC Simpkins then said that he was looking at the tracking report and the two outstanding sections are collateral underwriting and racial</p>	

Topic	Discussion	Action
	<p>disparities.</p> <p>Miss Johnson said that she added a new line, and the report needs an executive summary. That Javier Gumucio and Jamie Cumbie will have something on collateral underwriting by this weekend and that the members working on Reconsideration of Value (ROV) met on Monday for their section.</p> <p>VC Simpkins said that Sarah Brune is making a few changes to the draft and should be done with it soon.</p> <p>Miss Johnson went over Racial Disparities, and that Jeff Baker and Dr. Luis Lopez did a nice write up on the section.</p> <p>VC Simpkins said he would like to see that draft.</p> <p>Miss Johnson said that she has two drafts for that section and they seem complete, but more can be added to it. Once everything has been put together, recommendations can be added.</p> <p>VC Simpkins said that is good.</p> <p>Miss Johnson said that the report is looking good. Miss Johnson asked if anyone had anything else they wanted to bring up or future topics for the task force to cover. Property taxes were covered and at the end of the last meeting, the topic of subcommittees and working groups was discussed. The Illinois Coalition of Appraisal Professionals or ICAP has also agreed to participate in the subcommittees and other community groups can be included depending on the topics the task force wants to cover. Then, Jeff Baker and Miss Johnson discussed including a map that Mr. Baker is working on. The map Mr. Baker is working on will be similar to the map the Realtors has put together showing where appraisers are in Illinois, with many of them being concentrated in Chicago. However, further downstate, there are not many appraisers. Miss Johnson said she asked if there was a map that shows recent sales in the last year or limited and inactive markets. There wasn't a map with that information, so Mr. Baker is working to create that map to show where limited and inactive markets are and how limited those markets are. Even so, Mr. Baker is having a hard time pulling that information together in the time that the map is needed and that the job may need to be contracted with conversations continuing. Another topic that can be discussed in future meetings is something Jeff Baker also raised; the commission structure for real estate brokers and the impact it has on the appraisers. Miss Johnson asked if anyone else had anything to share.</p> <p>VC Simpkins said he is working on an outline, but one thing is clear is that outside the work the task force is doing, is to look at recommendations and reforms that other entities have done. FHFA has a big database that flags under and over evaluation. A recommendation that can be made would be to put mandatory training in place for appraisers. Another thing the task force can look at is</p>	

Topic	Discussion	Action
	<p>various reforms that have taken place, how those reforms are different and work. Then a map on recent sales would be good but it might be interesting to do a map on appraisals coming in under contract. It would be good to know where these contracts are happening, if there is a certain geographic that do these contracts and where are appraisals coming in under contract.</p> <p>Miss Johnson said that would be great and she wonders who the task force could get that information from.</p> <p>VC Simpkins said the data could come from FHFA, Fannie Mae, and appraisal management companies.</p> <p>Miss Johnson said she has a few thoughts on that such as where would the task force look for recent reforms and effectiveness as well as, what's been happening nationally and incentives that have been put into place. This information could be put in the conclusion section and that Miss Johnson likes the idea of taking the information and making it into its own topic. Miss Johnson asked if anyone else had anything for the task force. Hearing none, Miss Johnson moved on to open discussion.</p>	
<p>Open Discussion/ New Business</p>	<p>O ku'Iqj puqp'uckf 'uj g'ku'qr gplpi 'vj g'o ggkpi 'v'v'j g'r wdrke'cpf 'cungf 'kh' vj g{'j cf 'cp{'eqo o gpu'vq'bo cng</p> <p>Tlej ctf 'F gXgtf lgt'uckf 'pq0J g'vj kpmu'vj g'cunihqteg'ku'f qkpi 'hpg0</p> <p>O ku'Iqj puqp'cungf 'I cdtlgre'O c  cpctgu'y j cv'ci gpe{'uj g'y cu'htqo 'cpf " kh'uj g'y cu'lwuv'qdugtckpi 'vqf c{0</p> <p>O ku'O c  cpctgu'uckf 'uj g'ku'qdugtckpi 'vqf c{'dgecwug'qp'qh'j gt'erkgpu'ku' \ kmuy 'cpf 'uj g'ku'htqo 'Eq  gp'QEppqt'Utevgi kgu0</p> <p>Miss Johnson asked if any one had anything else.</p> <p>VC Simpkins said that it would be interesting to learn how Zillow comes up with their zestimates.</p> <p>Miss Johnson said she thinks a lot of people would like to know how they do that. With no further comments, Miss Johnson moved on to public comments.</p>	

Topic	Discussion	Action
Open Discussion/ New Business	Miss Johnson told the task force that the previously discussed topic was more open discussion and asked if there were any other topics the task force wanted to discuss. Hearing none, Miss Johnson went to public comments.	
Public Comments	No public comments were made	
Adjournment	The next meeting is scheduled for October 16th, 2024.	There being no further business to discuss, motion to adjourn was made by Adrienne Suits Bailey and seconded by Steven Monroy at 11:41am. Motion carried unanimously.