



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

HB1842

Introduced 2/17/2021, by Rep. Anthony DeLuca

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/Art. 10 Div. 21 heading new  
35 ILCS 200/10-800 new

Amends the Property Tax Code. Provides that certain property located in Bloom, Bremen, Calumet, Rich, Thornton, or Worth Township may be certified as southland reactivation property. Provides that, beginning with the first tax year after the property is certified as southland reactivation property and continuing through the twelfth tax year after the property is certified as southland reactivation property, the property shall be valued at 50% of the last known equalized assessed value. Sets forth the maximum aggregate tax liability for property that has been certified as southland reactivation property. Effective immediately.

LRB102 11967 HLH 17303 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by adding  
5 Division 21 to Article 10 as follows:

6 (35 ILCS 200/Art. 10 Div. 21 heading new)

7 Division 21. Southland reactivation property

8 (35 ILCS 200/10-800 new)

9 Sec. 10-800. Southland reactivation property.

10 (a) For the purposes of this Section:

11 "Base year" means the last tax year prior to the date of  
12 the application during which the property was occupied and  
13 assessed and had an assessor certified value.

14 "Tax year" means the calendar year for which assessed  
15 value is determined as of January 1 of that year.

16 "Cook County Land Bank Authority" means the Cook County  
17 Land Bank Authority created by ordinance of the Cook County  
18 Board.

19 "Participating entity" means the South Suburban Land Bank  
20 and Development Authority or the Cook County Land Bank  
21 Development Authority, either collectively or individually.

22 "South Suburban Land Bank and Development Authority" means

1 the South Suburban Land Bank and Development Authority created  
2 in 2012 by intergovernmental agreement, which now serves more  
3 than 20 municipalities across the Southland.

4 "Southland reactivation property" means property that:

5 (1) has been designated by the municipality by  
6 resolution as a priority tax reactivation parcel, site, or  
7 property due to its clear pattern of stagnation and  
8 depressed condition or decline of assessed valuation;  
9 municipal authority support for southland reactivation  
10 designation will be considered in a lawful public meeting  
11 in which impacted taxing districts receive prior  
12 notification of the agenda item to consider southland  
13 reactivation of site;

14 (2) is held by a participating entity or a  
15 municipality; and

16 (3) meets the following criteria:

17 (A) the property is zoned for commercial or  
18 industrial use;

19 (B) the property has had its past property and ad  
20 valorem taxes cleared and is now classified as exempt  
21 or the property has not had a lawful occupant for the  
22 past 12 months or more, as attested to by a supporting  
23 affidavit;

24 (C) sale or transfer of the property, following  
25 southland reactivation designation, to a developer  
26 would result in investment which would trigger a

1           higher taxable value;

2           (D) the property will be sold by a participating  
3           entity as set forth in subparagraph (2) to a buyer of  
4           property or a developer that has been approved by the  
5           municipality whose redevelopment of the parcel, site,  
6           or property would reverse long-standing divestment in  
7           the area, enhance inclusive economic growth, create  
8           jobs or career pathways, support equitable recovery of  
9           the community, and stabilize the tax base through  
10          investments that align with local government plans and  
11          priorities;

12          (E) an application for southland reactivation  
13          designation is filed and resolution passed by the  
14          municipality prior to the sale, rehabilitation, or  
15          reoccupation;

16          (F) but-for the Southland Reactivation  
17          designation, development or redevelopment will not  
18          occur; and

19          (G) the property is located in any of the  
20          following Townships in Cook County: Bloom, Bremen,  
21          Calumet, Rich, Thornton, or Worth.

22          (b) Within 5 years after the effective date of this  
23          amendatory Act of the 102nd General Assembly, purchasers of  
24          real property from the participating entity may submit an  
25          application along with a resolution approved by the respective  
26          corporate authorities of the municipalities in which the

1 property is located to the participating entity to have the  
2 property certified as southland reactivation property. If the  
3 property meets the criteria for southland reactivation  
4 property set forth in this Section, then the participating  
5 entity has 5 years from the effective date of this amendatory  
6 Act of the 102nd General Assembly within which it may certify  
7 the property as southland reactivation property for the  
8 purposes of promoting rehabilitation of abandoned or vacant  
9 and underutilized property in order to attract and enhance  
10 economic activities and investment that stabilize, restore,  
11 and grow the tax base in severely blighted areas within  
12 Chicago's south suburbs. This certification is nonrenewable  
13 and shall be transmitted, by the municipality or the  
14 participating entity on behalf of the municipality, to the  
15 chief county assessment officer as soon as possible after the  
16 property is certified. Southland reactivation designation is  
17 limited to original applicant unless expressly approved by the  
18 municipality and the property has no change in use.

19 (c) Beginning with the first tax year after the property  
20 is certified as southland reactivation property and continuing  
21 through the twelfth tax year after the property is certified  
22 as southland reactivation property, for the purpose of  
23 taxation under this Code, the property shall be valued at 50%  
24 of the last known equalized assessed value as established by  
25 the chief county assessment officer, excluding all years with  
26 property tax exemptions applied as a result of the

1 participating entity's or municipality's ownership. For the  
2 first year after the property is certified as southland  
3 reactivation property, the aggregate tax bill liability for  
4 the property shall be no greater than \$100,000 per year. That  
5 aggregate tax bill liability, once collected, shall be  
6 distributed to the taxing districts in which the property is  
7 located according to each taxing district's proportionate  
8 share of that aggregate liability. Beginning with the second  
9 tax year after the property is certified as southland  
10 reactivation property and continuing through the twelfth tax  
11 year after the property is certified as southland reactivation  
12 property, the property's tax bill liability for each taxing  
13 district in which the property is located shall be increased  
14 over the tax bill liability for the preceding year by 10%. In  
15 no event shall the purchaser's annual tax liability decrease.

16 (d) No later than March 1 of each year, the municipality or  
17 the participating entity on behalf of the municipality, shall  
18 certify to the county clerk of the county in which the property  
19 is located a percentage southland reactivation reduction to be  
20 applied to property taxes for that calendar year, as provided  
21 this Section.

22 (e) The participating entity shall collect the following  
23 information annually for the pilot program period: the number  
24 of applicants, project location, proposed use, investment, job  
25 creation, and certifications of southland reactivation sites  
26 to allow for the evaluation and assessment of the

1 effectiveness of southland reactivation designation. The  
2 participating entity responsible for seeking the southland  
3 Reactivation designation shall present this information to the  
4 governing body of each taxing district affected by a southland  
5 reactivation designation on an annual basis and the  
6 participating entities shall report the above information to  
7 any requesting members of the General Assembly at the  
8 conclusion of the 5-year designation period.

9 (f) Any southland reactivation certification granted under  
10 this Section shall be void if the property is conveyed to an  
11 entity or person that is liable for any unpaid, delinquent  
12 property taxes associated with the property.

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law.