



Rep. Anthony DeLuca

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10200HB1842ham001

LRB102 11967 HLH 35631 a

1 AMENDMENT TO HOUSE BILL 1842

2 AMENDMENT NO. _____. Amend House Bill 1842 by replacing
3 everything after the enacting clause with the following:

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 for southland reactivation designation during
13 which the property was occupied and assessed and had an
14 equalized assessed value.

15 "Cook County Land Bank Authority" means the Cook County

1 Land Bank Authority created by ordinance of the Cook County
2 Board.

3 "Municipality" means a city, village, or incorporated town
4 located in the State.

5 "Participating entity" means any of the following, either
6 collectively or individually: the municipality in which the
7 property is located; the South Suburban Land Bank and
8 Development Authority; or the Cook County Land Bank
9 Development Authority.

10 "Southland reactivation property" means property that:

11 (1) has been designated by the municipality by
12 resolution as a priority tax reactivation parcel, site, or
13 property due to its clear pattern of stagnation and
14 depressed condition or the decline in its assessed
15 valuation;

16 (2) is held by a participating entity; and

17 (3) meets all of the following criteria:

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

20 (B) the property has had its past property taxes
21 cleared and is now classified as exempt, or the
22 property has not had a lawful occupant for at least 12
23 months immediately preceding the application for
24 certification as southland reactivation property, as
25 attested to by a supporting affidavit;

26 (C) the sale or transfer of the property,

1 following southland reactivation designation, to a
2 developer would result in investment which would
3 result a higher assessed value;

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

15 (E) an application for southland reactivation
16 designation is filed with the participating entity and
17 a resolution designating the property as southland
18 reactivation property is passed by the municipality
19 prior to the sale, rehabilitation, or reoccupation;

20 (F) if not for the southland reactivation
21 designation, development or redevelopment of the
22 property will not occur; and

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

26 "South Suburban Land Bank and Development Authority" means

1 the South Suburban Land Bank and Development Authority created
2 in 2012 by intergovernmental agreement.

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

5 (b) Within 5 years after the effective date of this
6 amendatory Act of the 102nd General Assembly, purchasers of
7 real property from any of the participating entities may apply
8 to that entity to have the property certified as southland
9 reactivation property if the property meets the criteria for
10 southland reactivation property set forth in subsection (a).
11 The participating entity has 5 years from the effective date
12 of this amendatory Act of the 102nd General Assembly within
13 which it may certify the property as southland reactivation
14 property for the purposes of promoting rehabilitation of
15 abandoned, vacant, or underutilized property to attract and
16 enhance economic activities and investment that stabilize,
17 restore, and grow the tax base in severely blighted areas
18 within Chicago's south suburbs. This certification is
19 nonrenewable and shall be transmitted by the municipality, or
20 by the participating entity on behalf of the municipality, to
21 the chief county assessment officer as soon as possible after
22 the property is certified. Southland reactivation designation
23 is limited to the original applicant unless expressly approved
24 by the corporate authorities of the municipality and the
25 property has no change in use.

26 Support by the corporate authorities of the municipality

1 for southland reactivation designation shall be considered in
2 a lawful public meeting, and impacted taxing districts shall
3 receive notification of the agenda item to consider southland
4 reactivation of the site prior to that meeting.

5 (c) Beginning with the first tax year after the property
6 is certified as southland reactivation property and continuing
7 through the twelfth tax year after the property is certified
8 as southland reactivation property, for the purpose of
9 taxation under this Code, the property shall be valued at 50%
10 of the last known equalized assessed value as established by
11 the chief county assessment officer, excluding all years with
12 property tax exemptions applied as a result of the
13 participating entity's ownership. For the first year after the
14 property is certified as southland reactivation property, the
15 aggregate property tax liability for the property shall be no
16 greater than \$100,000 per year. That aggregate property tax
17 liability, once collected, shall be distributed to the taxing
18 districts in which the property is located according to each
19 taxing district's proportionate share of that aggregate
20 liability. Beginning with the second tax year after the
21 property is certified as southland reactivation property and
22 continuing through the twelfth tax year after the property is
23 certified as southland reactivation property, the property tax
24 liability for the property for each taxing district in which
25 the property is located shall be increased over the property
26 tax liability for the property for the preceding year by 10%.

1 In no event shall the purchaser's annual tax liability
2 decrease.

3 (d) No later than March 1 of each year, the municipality or
4 the participating entity on behalf of the municipality shall
5 certify to the county clerk of the county in which the property
6 is located a percentage southland reactivation reduction to be
7 applied to property taxes for that calendar year, as provided
8 this Section.

9 (e) The participating entity shall collect the following
10 information annually for the pilot program period: the number
11 of program applicants; the street address of each certified
12 property; the proposed use of certified properties; the amount
13 of investment; the number of jobs created as a result of the
14 certification; and copies of the certification of each
15 southland reactivation site to allow for the evaluation and
16 assessment of the effectiveness of southland reactivation
17 designation. The participating entity responsible for seeking
18 the southland reactivation designation shall present this
19 information to the governing body of each taxing district
20 affected by a southland reactivation designation on an annual
21 basis, and the participating entity shall report the above
22 information to any requesting members of the General Assembly
23 at the conclusion of the 5-year designation period.

24 (f) Any southland reactivation certification granted under
25 this Section shall be void if the property is conveyed to an
26 entity or person that is liable for any unpaid, delinquent

1 property taxes associated with the property.

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.".