



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004

Introduced 02/05/04, by Jim Sacia

SYNOPSIS AS INTRODUCED:

New Act
35 ILCS 200/15-97 new

Creates the Downtown Real Estate Improvement Assessment Phase-In Act. Authorizes any property owner within a downtown development district to apply for an assessment phase-in. Amends the Property Tax Code. Provides that the local assessment officer may phase-in the increase in assessed value of property in an area designated by a municipality as a downtown development district. Provides that a property is not eligible for the phase-in program if: (i) the property is receiving tax increment finance revenue through a redevelopment agreement or through some other type of agreement or ordinance where the property's value is directly dependent upon the increased value of the property or (ii) the property ceases to be part of a downtown development district. Effective immediately.

LRB093 20821 MKM 46746 b

1 AN ACT concerning economic development.

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

4 Section 1. Short title. This Act may be cited as the
5 Downtown Real Estate Improvement Assessment Phase-In Act.

6 Section 5. Definitions. As used in this Act:

7 "Downtown" means an area of a municipality that is now or
8 once was a central business district of the municipality.

9 Section 10. Application. Any owner of property within a
10 downtown area may submit to the local assessment officer an
11 application for the phase-in of equalized assessed value on
12 that property. The application shall include a detailed
13 description of the overall costs of any renovation or
14 rehabilitation project. The application shall also include a
15 certificate of qualification from the municipality in which the
16 property resides.

17 Section 905. The Property Tax Code is amended by adding
18 Section 15-97 as follows:

19 (35 ILCS 200/15-97 new)

20 Sec. 15-97. Downtown development district equalized
21 assessed value phase-in program.

22 (a) For purposes of this Section, "downtown development
23 district" means any downtown area in the State that (i) is
24 designated an Illinois Main Street community by the Illinois
25 Main Street Program, (ii) is within a municipality that has
26 adopted a Tax Increment Finance District in the downtown as
27 part of its overall redevelopment plan, or (iii) is within a
28 municipality that has adopted a downtown plan specifying
29 certain aspects of redevelopment that actually take place.

1 (b) Any municipality that qualifies under the definition in
 2 subsection (a) may accept applications for the property value
 3 phase-in program.

4 (c) The municipality may upon a majority vote of its
 5 corporate authorities, adopt an ordinance or resolution
 6 approving the application for property value phase-in and
 7 authorizing a certificate of approval.

8 (d) The ordinance or resolution provided with the
 9 certificate of approval shall be presented to the local
 10 assessment officer's office within 10 working days of approval.
 11 The certificate shall show the original assessed value, the
 12 value of improvements made to the property, and their totals.

13 (e) The local assessment officer shall then make a
 14 determination of the property's new value and proceed to apply
 15 the increase in value in increments equal to the following
 16 schedule:

<u>YEAR</u>	<u>PERCENTAGE OF VALUE</u>
	<u>ASSIGNED</u>
<u>1</u>	<u>10%</u>
<u>2</u>	<u>20%</u>
<u>3</u>	<u>30%</u>
<u>4</u>	<u>40%</u>
<u>5</u>	<u>50%</u>
<u>6</u>	<u>60%</u>
<u>7</u>	<u>100%</u>

26 (f) If the property approved for phase-in ceases to be part
 27 of the downtown development district, that property is no
 28 longer eligible for the phase-in program. If the phase-in is no
 29 longer eligible, the municipality shall notify the local
 30 assessment officer and the property shall be fully assessed.

31 (g) If the property is receiving tax increment finance
 32 revenue through a redevelopment agreement or through some other
 33 type of agreement or ordinance where the property's value is
 34 directly dependent upon the increased value of the property the
 35 property is ineligible.

1 Section 999. Effective date. This Act takes effect upon
2 becoming law.