



Sen. Bill Cunningham

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10200SB0665sam002

LRB102 15453 AWJ 24307 a

1 AMENDMENT TO SENATE BILL 665

2 AMENDMENT NO. _____. Amend Senate Bill 665 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by adding
5 Section 15-62 as follows:

6 (35 ILCS 200/15-62 new)

7 Sec. 15-62. Exemption for lease or sale of property for
8 cultivation and sale of fresh fruits and vegetables or
9 recreation. Property that is leased or conveyed to a nonprofit
10 corporation or association for cultivation and sale of fresh
11 fruits and vegetables or recreation under Section 11-11-4 of
12 the Illinois Municipal Code is exempt when actually and
13 exclusively used such purposes and not leased or otherwise
14 used with a view to profit.

15 The Department of Revenue shall, by rule, develop an
16 application process for a nonprofit corporation or association

1 to prove it will be eligible for the property tax exemption
2 under this Section once the property is leased or sold to it by
3 the municipality. Once eligibility has been established, the
4 Department shall issue an exemption certificate, contingent on
5 the lease or conveyance, to the nonprofit corporation or
6 association and, thereafter, an annual certificate of status
7 upon proof of continued eligibility.

8 Section 10. The Illinois Municipal Code is amended by
9 adding Section 11-11-4 as follows:

10 (65 ILCS 5/11-11-4 new)

11 Sec. 11-11-4. Lease or sale of property for cultivation
12 and sale of fresh fruits and vegetables or recreation.

13 (a) The General Assembly finds:

14 (1) There exists in certain older, urban
15 municipalities an excess of vacant property that is not
16 needed for public use.

17 (2) Vacant properties present numerous problems for
18 these municipalities, such as: presenting the opportunity
19 for criminal activity; deterring neighboring property
20 owners from improving their properties and prospective
21 purchasers and renters from locating into these areas; and
22 servng as a location to dispose of unwanted items.

23 (3) These municipalities are often centers of high and
24 increasing populations and population densities comprised,

1 in part, of lower-income families.

2 (4) Due, in part, to increasing population densities,
3 the deterioration of infrastructure, such as parks, and
4 fiscal constraints, these municipalities have been
5 challenged to offer residents opportunities to enhance the
6 quality of their lives.

7 (5) Due to the scarcity of full service supermarkets
8 and farmer's markets within these municipalities,
9 municipal residents often suffer from a shortage of fresh
10 fruits and vegetables.

11 (6) The shortages of recreational opportunities and
12 sources of fresh fruits and vegetables have contributed to
13 alarming increases in childhood obesity and other adverse
14 health consequences for municipal residents.

15 (7) It would be beneficial to enlist nonprofit
16 corporation or associations to develop these properties
17 for a range of public purposes that could enhance the
18 recreational, educational, and nutritional needs of local
19 residents.

20 (8) Authorization for municipalities to lease and sell
21 vacant land to nonprofit entities to cultivate these lands
22 can provide both recreational opportunities and a source
23 of fresh, locally-grown fruits and vegetables for local
24 residents.

25 (9) The nonprofit cultivation of previously vacant
26 land by nonprofit entities is a public purpose for which

1 the long term lease and sale of these properties, and
2 exemption from property taxation, is warranted, even in
3 those instances when produce is sold to further the
4 mission of these nonprofit corporations or associations.

5 (b) A leasehold for a term not in excess of 25 years may be
6 made with a nonprofit corporation or association, and extended
7 in increments of no more than 25 years, by ordinance or
8 resolution thereafter for any purpose described under
9 subsection (a), including, but not limited to:

10 (1) The cultivation or use of vacant lots for
11 gardening or recreational purposes.

12 (2) The lease of a tract of land to sell fresh fruits
13 and vegetables. Any lease entered into pursuant to this
14 paragraph may permit the nonprofit corporation or
15 association to sell fresh fruits and vegetables on the
16 leased land, off the leased land, or both, provided, that
17 the sales are related and incidental to the nonprofit
18 purposes of the corporation or association and the net
19 proceeds received by the nonprofit corporation or
20 association are used to further the nonprofit purposes of
21 the corporation or association.

22 (c) When the city council of a municipality determines
23 that all or any part of a municipal-owned tract of land, with
24 or without improvements, is not then needed for municipal
25 purposes, the city council may, by resolution or ordinance,
26 authorize a private sale and conveyance of the same, or any

1 part thereof, for nominal consideration, without compliance
2 with any other law governing disposal of lands by
3 municipalities requiring adequate consideration, to a
4 nonprofit corporation or association for use for any purpose
5 described under subsection (a). Such conveyance shall contain
6 a limitation that the lands or buildings shall be used only for
7 the purposes of such organization or association, and to
8 render such services or to provide such facilities as may be
9 agreed upon and, if said lands or buildings are not used in
10 accordance with the limitation, title shall revert back to the
11 municipality without any entry or reentry made on the property
12 on behalf of the municipality.

13 Whenever a sale of property is proposed pursuant to this
14 subsection, the municipality shall give at least 10 days'
15 notice of such sale prior to a public hearing where an
16 ordinance or resolution approving the sale is adopted.

17 Property subject to an unexpired lease under subsection
18 (b) is not eligible to be sold under this subsection, unless
19 the lease would allow such a sale.

20 (d) If the nonprofit organization or association uses the
21 property leased or purchased under this Section for the
22 cultivation and sale of fresh fruits and vegetables on a tract
23 of land, the nonprofit organization or association may not be
24 controlled, directly or indirectly, by any agricultural,
25 commercial, or other business. The nonprofit organization or
26 association is authorized to sell fresh fruits and vegetables

1 either on the land that was leased or conveyed, off that land,
2 or both, and the sales must be related and incidental to the
3 nonprofit purposes of the organization or association and the
4 net proceeds received by the nonprofit organization or
5 association must be used to further the nonprofit purposes of
6 the organization or association.

7 (e) Property leased or conveyed under this Section is
8 exempt from property taxation under under the Property Tax
9 Code if the property is actually used for the cultivation and
10 sale of fresh fruits and vegetables and owned by a nonprofit
11 organization or association that includes among its principal
12 purposes the cultivation and sale of fresh fruits and
13 vegetables. Before property may be leased or conveyed under
14 this Section, the nonprofit organization or association shall
15 provide to the municipality an exemption certificate issued
16 under Section 15-62 of the Property Tax Code."