

AN ACT concerning revenue.

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

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

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

Division 21. Southland reactivation property

(35 ILCS 200/10-800 new)

Sec. 10-800. Southland reactivation property.

(a) For the purposes of this Section:

"Base year" means the last tax year prior to the date of
the application for southland reactivation designation during
which the property was occupied and assessed and had an
equalized assessed value.

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

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

"Participating entity" means any of the following, either
collectively or individually: the municipality in which the
property is located; the South Suburban Land Bank and

Development Authority; or the Cook County Land Bank Development Authority.

"Southland reactivation property" means property that:

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

(2) is held by a participating entity; and

(3) meets all of the following criteria:

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

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

(C) the sale or transfer of the property, following southland reactivation designation, to a developer would result in investment which would result a higher assessed value;

(D) the property will be sold by a participating entity to a buyer of property that has been approved by the corporate authorities of the municipality or to a developer that has been approved by the corporate

authorities of the municipality whose redevelopment of the parcel, site, or property would reverse long-standing divestment in the area, enhance inclusive economic growth, create jobs or career pathways, support equitable recovery of the community, and stabilize the tax base through investments that align with local government plans and priorities;

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

(F) if not for the southland reactivation designation, development or redevelopment of the property would not occur; and

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

"South Suburban Land Bank and Development Authority" means the South Suburban Land Bank and Development Authority created in 2012 by intergovernmental agreement.

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

(b) Within 5 years after the effective date of this amendatory Act of the 102nd General Assembly, purchasers of real property from any of the participating entities may apply

to that entity to have the property certified as southland reactivation property if the property meets the criteria for southland reactivation property set forth in subsection (a). The participating entity has 5 years from the effective date of this amendatory Act of the 102nd General Assembly within which it may certify the property as southland reactivation property for the purposes of promoting rehabilitation of abandoned, vacant, or underutilized property to attract and enhance economic activities and investment that stabilize, restore, and grow the tax base in severely blighted areas within Chicago's south suburbs. This certification is nonrenewable and shall be transmitted by the municipality, or by the participating entity on behalf of the municipality, to the chief county assessment officer as soon as possible after the property is certified. Southland reactivation designation is limited to the original applicant unless expressly approved by the corporate authorities of the municipality and the property has no change in use.

Support by the corporate authorities of the municipality for southland reactivation designation shall be considered in a lawful public meeting, and impacted taxing districts shall receive notification of the agenda item to consider southland reactivation of the site not less than 15 days prior to that meeting.

(c) 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, for the purpose of taxation under this Code, the property shall be valued at 50% of the base year equalized assessed value as established by the chief county assessment officer, excluding all years with property tax exemptions applied as a result of the participating entity's ownership. For the first year after the property is certified as southland reactivation property, the aggregate property tax liability for the property shall be no greater than \$100,000 per year. That aggregate property tax liability, once collected, shall be distributed to the taxing districts in which the property is located according to each taxing district's proportionate share of that aggregate liability. Beginning with the second 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 tax liability for the property for each taxing district in which the property is located shall be increased over the property tax liability for the property for the preceding year by 10%. In no event shall the purchaser's annual tax liability decrease.

(d) No later than March 1 of each year, the municipality or the participating entity on behalf of the municipality shall certify to the county clerk of the county in which the property is located a percentage southland reactivation reduction to be

applied to property taxes for that calendar year, as provided this Section.

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

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

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