

**2<sup>nd</sup> PROPOSED SUBSTITUTE ORDINANCE AMENDMENT TO FILE #19-1965  
(Business and Economic Development committee 4/23/2019)**

Sponsored by: **DONNA MILLER**, County Commissioner

**AN AMENDMENT TO CHAPTER 74, ARTICLE II, REAL PROPERTY TAXATION**

**WHEREAS**, vacant properties can devastate a neighborhood and block, undermine neighbors' quality of life, and diminish the value of nearby properties; and

**WHEREAS**, they also cause severe fiscal damage to local governments, reducing local tax revenues while costing cities millions for policing, cleaning vacant lots, and demolishing derelict buildings; and

**WHEREAS**, most vacant buildings and houses are well maintained, but many are not and thousands can sit empty for years, abandoned by their owners, deteriorating to the point where they cannot be reused without major rehabilitation with many ultimately demolished, leaving vacant lots in their place; and

**WHEREAS**, besides their impact on social and economic conditions, vacant, abandoned properties have a devastating effect on the fiscal condition of their cities, towns, and counties; and

**WHEREAS**, not only do they pay little in property taxes and generate little revenue for the city or county when sold at tax sales, but they further reduce property tax collections by millions of dollars by devaluing neighboring properties;

**NOW THEREFORE, BE IT ORDAINED**, by the Cook County Board of Commissioners, that Chapter 74 - Taxation, Article II - Real Property Taxation, Division 2 - Classification System for Assessment, Section 74-73, of the Cook County Code is hereby amended as follows:

**Sec. 74-73. - Suspension, Revocation or cancellation of incentive classification.**

(a) The following Incentive Classifications are subject to suspension, revocation or cancellation herein pursuant the provisions of this section: Class 6b; Class 6b (special circumstances); Class 6b TEERM; Class 6b SER; Class 7a; Class 7b; Class 7c; Class 8; and Class 8 TEERM.

(b) The incentive may be suspended, revoked, or cancelled by the Assessor under the following circumstances:

- (1) By rule, as provided by the Assessor;

(2) By the County Board by Resolution or Ordinance, which is based on a report from the Bureau of Economic Development that has been approved by the Economic Development Advisory Committee of the County;

(3) By the County Board by Resolution or Ordinance at the request of the Municipality by submission of a Municipal Resolution or Ordinance;

(4) By request of the taxpayer to cancel;

(5) Beginning in the 2019 assessment year and for all subsequent assessment years, upon application of the municipality in which a property is located finding that the owner (s), which has received a reduction in its assessed valuation due to receiving a property tax incentive as classified in Sec. 74-73 (a) for two consecutive tax years and has not provided evidence to the municipality that the owner has progressed in the leasing, development or sale of the property as contemplated in the incentive classification application submitted by the owner (s), the Assessor may suspend the property tax incentive relating to the property for a period not to exceed two years, subject to a subsequent application to the Assessor by the owner (s) of said property to restore the incentive, which application is supported by documentation of development or occupancy. After a period of two years from the date of such suspension, if said restoration application by the owner (s) is not received, the property tax incentive shall be revoked.

(c) A basis for revocation pursuant to Section 74-73(b)(2) or (b)(3) above includes, but is not limited to, the following:

(1) Failure to comply with the requirements of Section 74-71 or 74-72;

(2) Delinquency in the payment of any property taxes administered by Cook County or by a local municipality; or

(3) Inaccuracies or omissions in documents submitted by the taxpayer, including, but not limited to, the application and the Economic Disclosure Statement.

(d) During such period as the Incentive Classification is suspended, the Assessor shall treat the subject property as a Class 5 property for any tax year in which the suspension is in effect.

In case of revocation or cancellation, the Incentive Classification shall be deemed null and void for the tax year in which the incentive was revoked or cancelled as to the subject property. In such an instance, the taxpayer shall be liable for and shall reimburse to the County Collector an amount equal to the difference in the amount of taxes that would have been collected had the subject property been assessed as a Class 5 property and the amount of taxes collected under the Incentive Classification as determined by the Assessor.

Effective Date: This Ordinance Amendment shall be effective upon passage.