

## 100TH GENERAL ASSEMBLY State of Illinois 2017 and 2018 HB5720

by Rep. Sonya M. Harper

## SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Municipal Code. Provides that the corporate authorities of a municipality may establish an urban agricultural area after receipt of a petition by a qualified farmer or farmers to establish the area. Provides for the formation of an urban agricultural area committee that shall conduct the activities necessary to advise the corporate authorities on the designation, modification, and termination of an urban agricultural area. Provides requirements for the application, notice and public hearing, and adoption of an ordinance designating the urban agricultural area. Provides that a municipality may provide for rebates, reductions, or other compensation for property taxes levied against real property located within an urban agricultural area that is used for processing, growing, raising, or otherwise producing agricultural products. Provides that a municipality may authorize an entity providing water, electricity, or other utilities to an urban agricultural area to allow qualified farmers in the urban agricultural area to pay wholesale or otherwise reduced rates or pay reduced or waived connection charges. Makes other changes. Amends the Department of Agriculture Law of the Civil Administrative Code of Illinois. Provides that the Department shall adopt rules consistent with the purposes of the new provisions of the Illinois Municipal Code, including, at a minimum, rules defining specified terms.

LRB100 18889 AWJ 34133 b

FISCAL NOTE ACT MAY APPLY

HOUSING AFFORDABILITY IMPACT NOTE ACT MAY APPLY 1 AN ACT concerning local government.

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

- 4 Section 5. The Department of Agriculture Law of the Civil
- 5 Administrative Code of Illinois is amended by adding Section
- 6 205-65 as follows:
- 7 (20 ILCS 205/205-65 new)
- 8 Sec. 205-65. Municipal Urban Agricultural Areas. The
- 9 Department shall adopt rules consistent with the purposes of
- 10 Division 15.4 of the Illinois Municipal Code. The Department
- 11 shall adopt, at a minimum, rules defining "small or medium
- 12 sized farmer", "beginning farmer", "limited resource farmer",
- 13 and "socially-disadvantaged farmer" as used in Section
- 14 11-15.4-5 of the Illinois Municipal Code.
- 15 Section 10. The Illinois Municipal Code is amended by
- adding Division 15.4 to Article 11 as follows:
- 17 (65 ILCS 5/Art. 11 Div. 15.4 heading new)
- 18 DIVISION 15.4. MUNICIPAL URBAN AGRICULTURAL AREAS
- 19 (65 ILCS 5/11-15.4-5 new)
- 20 Sec. 11-15.4-5. Definitions. As used in this Division:

1	"Agricultural	product"	means	an	agricultural,

- 2 <u>horticultural</u>, <u>viticultural</u>, <u>aquacultural</u>, <u>or vegetable</u>
- 3 product, either in its natural or processed state, that has
- 4 been produced, processed, or otherwise had value added to it in
- 5 this State. "Agricultural product" includes, but is not limited
- 6 to, growing of grapes that will be processed into wine; bees;
- 7 honey; fish or other aquacultural product; planting seed;
- 8 livestock or livestock product; forestry product; and poultry
- 9 or poultry product.
- 10 "Aquaculture" and "aquatic products" have the meanings
- 11 given to those terms in Section 4 of the Aquaculture
- 12 Development Act.
- "Department" means the Department of Agriculture.
- "Livestock" means cattle; calves; sheep; swine; ratite
- birds, including, but not limited to, ostrich and emu; aquatic
- 16 products obtained through aquaculture; llamas; alpaca;
- buffalo; elk documented as obtained from a legal source and not
- 18 from the wild; goats; horses and other equines; or rabbits
- raised in confinement for human consumption.
- "Locally grown" means a product that was grown or raised in
- 21 the same county or adjoining county in which the urban
- 22 agricultural area is located.
- "Poultry" means any domesticated bird intended for human
- 24 consumption.
- 25 "Qualifying farmer" means an individual or entity that
- 26 meets at least one of the following:

1	(1) is a nonprofit organization that meets standards				
2	set forth by Section 501(c)(3) of the Internal Revenue Code				
3	and whose mission includes supporting small, beginning,				
4	limited resource, or socially disadvantaged farmers within				
5	municipalities;				
6	(2) is a small or medium sized farmer;				
7	(3) is a beginning farmer;				
8	(4) is a limited resource farmer; or				
9	(5) is a socially-disadvantaged farmer.				
10	"Small or medium sized farmer", "beginning farmer",				
11	"limited resource farmer", and "socially-disadvantaged farmer"				
12	have the meanings given to those terms in rules adopted by the				
13	Department as provided in Section 205-65 of the Department of				
14	Agriculture Law.				
15	"Urban agricultural area" means an area defined by a				
16	municipality within which one or more qualifying farmers are				
17	processing, growing, raising, or otherwise producing				
18	<pre>locally-grown agricultural products.</pre>				
19	(65 ILCS 5/11-15.4-10 new)				
20	Sec. 11-15.4-10. Urban agricultural area committee.				
21	(a) The corporate authorities of a municipality that seek				
22	to establish an urban agricultural area shall first establish				
23	an urban agricultural area committee after it receives an				
24	application to establish an urban agricultural area under				
25	Section 11-15.4-15. There shall be 5 members on the committee.				

- One member of the committee shall be a member of the municipality's board and shall be appointed by the board. The remaining 4 members shall be appointed by the president or mayor of the municipality. The 4 members chosen by the president or mayor shall all be residents of the municipality in which the urban agricultural area is to be located, and at least one of the 4 members shall have experience in or represent an organization associated with sustainable agriculture, urban farming, community gardening, or any of the activities or products authorized by this Division for urban agricultural areas.
- (b) The members of the committee annually shall elect a chair from among the members. The members shall serve without compensation, but may be reimbursed for actual and necessary expenses incurred in the performance of their official duties.
- (c) A majority of the members shall constitute a quorum of the committee for the purpose of conducting business and exercising the powers of the committee and for all other purposes. Action may be taken by the committee upon a vote of a majority of the members present.
- (d) The role of the committee shall be to conduct the activities necessary to advise the corporate authorities of the municipality on the designation, modification, and termination of an urban agricultural area and any other advisory duties as determined by the corporate authorities of the municipality. The role of the committee after the designation of an urban

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2 agricultural area's activities. 3 (65 ILCS 5/11-15.4-15 new)4 Sec. 11-15.4-15. Application for an urban agricultural 5 area; review; dissolution. 6 (a) A qualified farmer may submit to the municipal clerk an 7 application to establish an urban agricultural area. The 8 application shall demonstrate or identify: 9 (1) that the applicant is a qualified farmer; 10 (2) the number of jobs to be created, maintained, or 11 supported within the proposed urban agricultural area; 12 (3) the types of products to be produced; and 1.3 (4) the geographic description of the area that will be 14 included in the urban agricultural area. 15 (b) An urban agricultural area committee shall review and 16 modify the application as necessary before the municipality either approves or denies the request to establish an urban 17 18 agricultural area. (c) Approval of the urban agricultural area by a 19 municipality shall be reviewed every 5 years after the 20 21 development of the urban agricultural area. After 25 years, the 22 urban agricultural area shall dissolve. If the municipality 23 finds during its review that the urban agricultural area is not 24 meeting the requirements set out in this Division, the

municipality may dissolve the urban agricultural area by

agricultural area shall be review and assessment of an urban

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## ordinance or resolution.

2 (65 ILCS 5/11-15.4-20 new)

Sec. 11-15.4-20. Notice and public hearing; urban agricultural area ordinance. Prior to the adoption of an ordinance designating an urban agricultural area, the urban agricultural area committee shall fix a time and place for a public hearing and notify each taxing unit of local government located wholly or partially within the boundaries of the proposed urban agricultural area. The committee shall publish notice of the hearing in a newspaper of general circulation in the area to be affected by the designation at least 20 days prior to the hearing but not more than 30 days prior to the hearing. The notice shall state the time, location, date, and purpose of the hearing. At the public hearing, any interested person or affected taxing unit of local government may file with the committee written objections or comments and may be heard orally in respect to, any issues embodied in the notice. The committee shall hear and consider all objections, comments, and other evidence presented at the hearing. The hearing may be continued to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the subsequent hearing. Following the conclusion of the public hearing required under this Section, the corporate authorities of the municipality may adopt an ordinance establishing and

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designating an urban agricultural area.

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2 (65 ILCS 5/11-15.4-25 new)
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Sec. 11-15.4-25. Taxation of property; water rates and charges.

(a) If authorized by the ordinance that establishes an urban agricultural area under Section 11-15.4-20, a municipality may provide for rebates, reductions, or other compensation for property taxes levied against real property located within an urban agricultural area that is used for processing, growing, raising, or otherwise producing agricultural products. Parcels of property assessed under Section 10-110 of the Property Tax Code are not eligible for the rebates, reductions, or other compensation for property taxes provided in this subsection; except that if real property assessed under Section 10-110 is reassessed and is subsequently no longer assessed under Section 10-110, that property becomes eligible for the rebates, reductions, or other compensation as provided for in this Section.

(b) A municipality may authorize an entity providing water, electricity, or other utilities to an urban agricultural area to allow qualified farmers in the urban agricultural area to (1) pay wholesale or otherwise reduced usage rates; or (2) pay reduced or waived connection charges.

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(65 \text{ ILCS } 5/11-15.4-30 \text{ new})
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- 1 <u>Sec. 11-15.4-30. Unreasonable restrictions and</u> 2 regulations; special assessments and levies.
- (a) A municipality may not exercise any of its powers to
  enact ordinances within an urban agricultural area in a manner
  that would unreasonably restrict or regulate farming practices
  in contravention of the purposes of this Act unless the
  restrictions or regulations bear a direct relationship to
  public health or safety.
- 9 (b) A unit of local government providing public services, such as sewer, water, lights, or non-farm drainage, may not 10 11 impose benefit assessments or special ad valorem levies on land 12 within an urban agricultural area on the basis of frontage, acreage, or value unless the benefit assessments or special ad 13 14 valorem levies were imposed prior to the formation of the urban agricultural area or unless the service is provided to the 15 16 landowner on the same basis as others having the service.
- 17 (65 ILCS 5/11-15.4-35 new)
- Sec. 11-15.4-35. Severability. The provisions of this

  Division are severable under Section 1.31 of the Statute on
- 20 Statutes.

- 1 INDEX
- 2 Statutes amended in order of appearance
- 3 20 ILCS 205/205-65 new
- 4 65 ILCS 5/Art. 11 Div.
- 5 15.4 heading new
- 6 65 ILCS 5/11-15.4-5 new
- 7 65 ILCS 5/11-15.4-10 new
- 8 65 ILCS 5/11-15.4-15 new
- 9 65 ILCS 5/11-15.4-20 new
- 10 65 ILCS 5/11-15.4-25 new
- 11 65 ILCS 5/11-15.4-30 new
- 12 65 ILCS 5/11-15.4-35 new