



Sen. Donne E. Trotter

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LRB098 10538 HLH 57677 a

1 AMENDMENT TO SENATE BILL 1740

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1740, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Property Tax Code is amended by adding  
6 Section 15-174 as follows:

7 (35 ILCS 200/15-174 new)

8 Sec. 15-174. Community stabilization assessment freeze  
9 pilot program.

10 (a) Beginning January 1, 2015 and ending June 30, 2029 the  
11 chief county assessment officer of any county with 3,000,000 or  
12 more inhabitants may reduce the assessed value of improvements  
13 to residential real property in accordance with subsection (b)  
14 for 10 taxable years after the improvements are put in service,  
15 if and only if all of the following factors have been met:

16 (1) the improvements are residential;

1           (2) the parcel was purchased or otherwise conveyed to  
2           the taxpayer after January 1 of the taxable year;

3           (3) the parcel is located in a targeted area of a  
4           county with 3,000,000 or more inhabitants;

5           (4) for single family homes, the taxpayer occupies the  
6           improvements on the parcel as his or her primary residence;  
7           for residences of one to 6 units that will not be  
8           owner-occupied, the taxpayer replaces 2 primary building  
9           systems as outlined in this Section;

10           (5) the transfer from the holder of the prior mortgage  
11           to the taxpayer was an arm's length transaction, in that  
12           the taxpayer has no legal relationship to the holder of the  
13           prior mortgage;

14           (6) an existing residential dwelling structure of no  
15           more than 6 units on the parcel was unoccupied at the time  
16           of conveyance, or the parcel was ordered by a court of  
17           competent jurisdiction to be deconverted in accordance  
18           with the provisions governing distressed condominiums as  
19           provided in the Condominium Property Act; and

20           (7) the parcel is clear of unreleased liens and has no  
21           outstanding tax liabilities attached against it.

22           To be eligible for the benefit conferred by this Section,  
23           residential units must be owner-occupied or in need of  
24           substantial rehabilitation. "Substantial rehabilitation"  
25           means, at a minimum, compliance with local building codes and  
26           the replacement or renovation of at least 2 primary building

1 systems. Although the cost of each primary building system may  
2 vary, the combined expenditure for making the building  
3 compliant with local codes and replacing primary building  
4 systems must be at least \$5 per square foot, adjusted by the  
5 Consumer Price Index for All Urban Consumers, as published  
6 annually by the U.S. Department of Labor. "Primary building  
7 systems", together with their related rehabilitations,  
8 specifically approved for this program are:

9 (1) Electrical. All electrical work must comply with  
10 applicable codes, it may consist of a combination of any of  
11 the following alternatives:

12 (A) installing individual equipment and appliance  
13 branch circuits as required by code (the minimum being  
14 a kitchen appliance branch circuit);

15 (B) installing a new emergency service, including  
16 emergency lighting with all associated conduits and  
17 wiring;

18 (C) rewiring all existing feeder conduits ("home  
19 runs") from the main switchgear to apartment area  
20 distribution panels;

21 (D) installing new in-wall conduits for  
22 receptacles, switches, appliances, equipment, and  
23 fixtures;

24 (E) replacing power wiring for receptacles,  
25 switches, appliances, equipment, and fixtures;

26 (F) installing new light fixtures throughout the

1 building including closets and central areas;

2 (G) replacing, adding, or doing work as necessary  
3 to bring all receptacles, switches, and other  
4 electrical devices into code compliance;

5 (H) installing a new main service, including  
6 conduit, cables into the building, and main disconnect  
7 switch; and

8 (I) installing new distribution panels, including  
9 all panel wiring, terminals, circuit breakers, and all  
10 other panel devices.

11 (2) Heating. All heating work must comply with  
12 applicable codes, it may consist of a combination of any of  
13 the following alternatives:

14 (A) installing a new system to replace one of the  
15 following heat distribution systems: (i) piping and  
16 heat radiating units, including new main line venting  
17 and radiator venting; or (ii) duct work, diffusers, and  
18 cold air returns; or (iii) any other type of existing  
19 heat distribution and radiation/diffusion components;  
20 or

21 (B) installing a new system to replace one of the  
22 following heat generating units: (i) hot water/steam  
23 boiler; (ii) gas furnace; or (iii) any other type of  
24 existing heat generating unit.

25 (3) Plumbing. All plumbing work must comply with  
26 applicable codes. Replace all or a part of the in-wall

1 supply and waste plumbing; however, main supply risers,  
2 waste stacks and vents, and code-conforming waste lines  
3 need not be replaced.

4 (4) Roofing. All roofing work must comply with  
5 applicable codes, it may consist of either of the following  
6 alternatives, separately or in combination:

7 (A) replacing all rotted roof decks and  
8 insulation; or

9 (B) replacing or repairing leaking roof membranes  
10 (10% is the suggested minimum replacement of  
11 membrane); restoration of the entire roof is an  
12 acceptable substitute for membrane replacement.

13 (5) Exterior doors and windows. Replace the exterior  
14 doors and windows. Renovation of ornate entry doors is an  
15 acceptable substitute for replacement.

16 (6) Floors, walls, and ceilings. Finishes must be  
17 replaced or covered over with new material. Acceptable  
18 replacement or covering materials are as follows:

19 (A) floors must have new carpeting, vinyl tile,  
20 ceramic, refurbished wood finish, or a similar  
21 substitute;

22 (B) walls must have new drywall, including joint  
23 taping and painting; or

24 (C) new ceilings must be either drywall, suspended  
25 type, or a similar substitute.

26 (7) Exterior walls.

1           (A) replace loose or crumbling mortar and masonry  
2 with new material;

3           (B) replace or paint wall siding and trim as  
4 needed;

5           (C) bring porches and balconies to a sound  
6 condition; or

7           (D) any combination of (A), (B), and (C).

8           (8) Elevators. Where applicable, at least 4 of the  
9 following 7 alternatives must be accomplished:

10           (A) replace or rebuild the machine room controls  
11 and refurbish the elevator machine (or equivalent  
12 mechanisms in the case of hydraulic elevators);

13           (B) replace hoistway electro-mechanical items  
14 including: ropes, switches, limits, buffers, levelers,  
15 and deflector sheaves (or equivalent mechanisms in the  
16 case of hydraulic elevators);

17           (C) replace hoistway wiring;

18           (D) replace door operators and linkage;

19           (E) replace door panels at each opening;

20           (F) replace hall stations, car stations, and  
21 signal fixtures; or

22           (G) rebuild the car shell and refinish the  
23 interior.

24           (9) Health and safety.

25           (A) install or replace fire suppression systems;

26           (B) install or replace security systems; or

1           (C) environmental remediation of lead-based paint,  
2           asbestos, leaking underground storage tanks, or radon.

3           (10) Energy conservation improvements undertaken to  
4           limit the amount of solar energy absorbed by a building's  
5           roof or to reduce energy use for the property, including  
6           any of the following activities:

7           (A) installing or replacing reflective roof  
8           coatings (flat roofs);

9           (B) installing or replacing R-38 roof insulation;

10          (C) installing or replacing R-19 perimeter wall  
11          insulation;

12          (D) installing or replacing insulated entry doors;

13          (E) installing or replacing Low E, insulated  
14          windows;

15          (F) installing or replacing low-flow plumbing  
16          fixtures;

17          (G) installing or replacing 90% sealed combustion  
18          heating systems;

19          (H) installing or replacing direct exhaust hot  
20          water heaters;

21          (I) installing or replacing mechanical ventilation  
22          to exterior for kitchens and baths;

23          (J) installing or replacing Energy Star  
24          appliances;

25          (K) installing low VOC interior paints on interior  
26          finishes;

1           (L) installing or replacing fluorescent lighting  
2           in common areas; or

3           (M) installing or replacing grading and  
4           landscaping to promote on-site water retention.

5           (b) For the first 7 years after the improvements are placed  
6           in service, those improvements shall be valued at 10% of their  
7           assessed value. The chief county assessment officer shall  
8           increase the assessed value of the improvements to 35% of the  
9           assessed value of those improvements for the eighth taxable  
10           year, 65% of the assessed value of those improvements for the  
11           ninth taxable year, and 100% of the assessed value of those  
12           improvements for the tenth taxable year, if and only if all of  
13           the factors in subsection (a) of this Section continue to be  
14           met. The benefit will cease after the improvements have been  
15           assessed at 100% of the assessed value on the tenth taxable  
16           year.

17           (c) In order to receive benefits under this Section, in  
18           addition to any information required by the chief county  
19           assessment officer, the taxpayer must also submit the following  
20           information to the chief county assessment officer for review:

21           (1) the owner's name;

22           (2) the postal address and permanent index number of  
23           the parcel;

24           (3) a deed or other instrument conveying the parcel to  
25           the current owner;

26           (4) certification that the parcel was unoccupied at the



1 time of conveyance to the current owner;

2 (5) evidence that the parcel is clear of unreleased  
3 liens and has no outstanding tax liabilities attached  
4 against it; and

5 (6) any additional information as reasonably required  
6 by the chief county assessment officer.

7 (d) The chief county assessment officer shall notify the  
8 taxpayer as to whether or not the parcel meets the requirements  
9 of this Section. If the parcel does not meet the requirements  
10 of this Section, the chief county assessment officer shall  
11 provide written notice of any deficiencies to the taxpayer, who  
12 will then have 14 days from the date of notification to provide  
13 supplemental information showing compliance with this Section.  
14 If the taxpayer does not exercise this right to cure the  
15 deficiency, or if the information submitted, in the sole  
16 judgment of the chief county assessment officer, is  
17 insufficient to meet the requirements of this Section, the  
18 chief county assessment officer shall provide a written  
19 explanation of the reasons for denial. A taxpayer may  
20 subsequently reapply for the benefit if the deficiencies are  
21 cured at a later date, but no later than 2019. The chief county  
22 assessment officer may charge a reasonable application fee to  
23 offset the administrative expenses associated with the  
24 program.

25 (e) The benefit conferred by this Section is limited as  
26 follows:

1           (1) The owner is eligible to apply for the benefit  
2           conferred by this Section beginning January 1, 2015 through  
3           December 31, 2019. If approved, the reduction will be  
4           effective for the current taxable year, which will be  
5           reflected in the tax bill issued in the following taxable  
6           year.

7           (2) The reduction outlined in this Section shall  
8           continue for a period of 10 years, and may not be extended  
9           or renewed for any additional period.

10           (3) At the completion of the assessment freeze period  
11           described here, the entire parcel will be assessed as  
12           otherwise provided in this Code.

13           (4) The benefit conferred by this Section will continue  
14           in the event of a transfer of ownership during the period  
15           of the assessment freeze, so long as all requirements of  
16           this Section continue to be met.

17           (f) If the taxpayer does not occupy or intend to occupy the  
18           residential dwelling as his or her principal residence, the  
19           taxpayer must:

20           (1) immediately secure the residential dwelling in  
21           accordance with the requirements of this Section;

22           (2) complete sufficient rehabilitation to bring the  
23           improvements into compliance with local building codes,  
24           including, without limitation, regulations concerning  
25           leadbased paint and asbestos remediation; and

26           (3) complete rehabilitation within 18 months of

1       conveyance.

2       (g) For the purposes of this Section,

3               "Secure" means that:

4               (1) all doors and windows are closed and secured  
5               using secure doors, windows without broken or cracked  
6               panes, commercial-quality metal security panels filled  
7               with like-kind material as the surrounding wall, or  
8               plywood installed and secured in accordance with local  
9               ordinances; at least one building entrance shall be  
10              accessible from the exterior and secured with a door  
11              that is locked to allow access only to authorized  
12              persons;

13              (2) all grass and weeds on the vacant residential  
14              property are maintained below 10 inches in height,  
15              unless a local ordinance imposes a lower height;

16              (3) debris, trash, and litter on any portion of the  
17              exterior of the vacant residential property is removed  
18              in compliance with local ordinance;

19              (4) fences, gates, stairs, and steps that lead to  
20              the main entrance of the building are maintained in a  
21              structurally sound and reasonable manner;

22              (5) the property is winterized when appropriate;

23              (6) the exterior of the improvements are  
24              reasonably maintained to ensure the safety of  
25              passersby; and

26              (7) vermin and pests are regularly exterminated on

1           the exterior and interior of the property.

2           "Targeted Area" means a census tract in a county of  
3           3,000,000 or more where more than 10% of the residences  
4           have had at least one foreclosure filing since the 2005  
5           calendar year, according to the 2010 federal decennial  
6           census."