



SOUTH SUBURBAN MAYORS & MANAGERS ASSOCIATION

July 19, 2023

Alsip
Beecher
Blue Island
Burnham
Calumet City
Calumet Park
Chicago Heights
Country Club Hills
Crestwood
Crete
Dixmoor
Dolton
East Hazel Crest
Flossmoor
Ford Heights
Glenwood
Harvey
Hazel Crest
Homewood
Lansing
Lynwood
Markham
Matteson
Midlothian
Mokena
Monee
Oak Forest
Olympia Fields
Orland Hills
Orland Park
Park Forest
Peotone
Phoenix
Posen
Richton Park
Riverdale
Robbins
Sauk Village
South Chicago Heights
South Holland
Steger
Thornton
Tinley Park
University Park
Worth

The Honorable JB Pritzker
Governor
207 Statehouse
Springfield, IL 62706

Dear Governor Pritzker:

On behalf of 39 south suburban Cook County municipalities that are members of the South Suburban Mayors and Managers Association (SSMMA), I am contacting you to express our strong concerns with Section 10-805 of the recently passed House Bill 2507, the Property Tax Omnibus Bill, and **to ask you to strike Section 10-805 from HB 2507 via an amendatory veto.**

Specifically, HB 2507, Section 10-805 (page 148) contains the following language:

Sec. 10-805. Property assessment equity; nursing homes and specialized mental health facilities. Beginning with tax year 2023, real property that is located in a county with more than 3,000,000 inhabitants and that is used to provide services requiring a license under the Nursing Home Care Act or under the Specialized Mental Health Facilities Act shall not be assessed at a higher level of assessment than residential property in the county in which the nursing home or mental health services facility is located.

This provision within the bill will negatively impact municipalities and other taxing districts located within Cook County—ultimately impacting every taxpayer within affected districts.

Section 10-805 changes the Nursing Home and Mental Health Facilities assessment of short term for-profit commercial properties from 25% (commercial) to 10% (residential) which would result in reduced tax bills for nursing home property owners. Unfortunately, this same sum transfers to all other property taxpayers in affected districts. The effect of Sec. 10-805 is increased rates for residential and commercial property taxes due to the loss of millions in tax revenues that had been generated by for-profit nursing homes or facilities (currently assessed as commercial properties). We believe the significance of the shift to other taxpayers is an unanticipated consequence that was not fully recognized by General Assembly members when the bill was passed.

In our Southland region, there are numerous nursing homes whose tax assessment would be reduced in perpetuity which harms not only municipalities but also significantly affects school

districts and other taxing bodies. In the south suburbs, the loss of nursing home equalized assessed value (EAV) shifts the tax burden to residential and commercial property taxpayers; will negatively impact tax rates; eliminates EAV which has an impact on tax rates and levies (especially for rate limited non-home rule communities); and is likely to worsen south suburban Cook County tax collection rates. Overall, this section of the Omnibus Property Tax bill will disproportionately impact taxpayers that are already struggling to pay too-high tax bills and drive their property tax bill costs up leading to potentially greater foreclosures and abandoned properties.

Again, we believe this was not well understood as HB 2507 SA 1 was considered this spring.

Within our region, 18 communities will be immediately impacted by HB 2507 if Section 10-805 is not struck, due to the change in assessment status for existing nursing home and mental health facilities: Burnham, Chicago Heights, Country Club Hills, Crestwood, Dolton, Flossmoor, Glenwood, Harvey, Hazel Crest, Homewood, Lansing, Matteson, Midlothian, Orland Park, Richton Park, Robbins, South Chicago Heights, and South Holland.

Many more municipalities may well think twice about approving new or expanded rehabilitation and temporary or semi-permanent nursing care facilities if there is even less tax benefit to the community especially in light of the disproportionately high cost of providing emergency services to these facilities. In addition, multiple communities within Cook County, including the Village of Glenwood, have nursing home facilities within TIF districts which would be significantly harmed if HB 2507 becomes law as currently passed. In Glenwood, limiting the assessment level of a single skilled nursing facility to a residential level eliminates nearly \$3 million in EAV which would have provided sorely needed TIF increment for redevelopment.

On behalf of SSMMA's member communities, we call upon you to issue an amendatory veto to HB 2507, Section 10-805 due to its unanticipated, deleterious consequences. We offer to work with you and your team to provide members of the General Assembly adequate information to sustain the line-item veto. Please contact me by phone at 708.922.4670 or by email at kdelaurentiis@ssmma.org if you have any questions or need additional information. Thank you.

Sincerely,



Kristi DeLaurentiis
Executive Director
South Suburban Mayors and Managers Association

CC: Senate President Don Harmon
Speaker of the House Emanuel "Chris" Welch

State Senator Bill Cunningham
State Senator Napoleon Harris III
State Senator Michael Hastings
State Senator Patrick J. Joyce
State Senator Emil Jones III
State Senator Elgie R. Sims Jr.
State Representative Kelly Burke
State Representative Will Davis
State Representative Anthony DeLuca
State Representative Marcus C. Evans, Jr.
State Representative Jackie Haas
State Representative Mary Gill
State Representative Thaddeus Jones
State Representative Debbie Meyers Martin
State Representative Tim Ozinga
State Representative Robert Rita
State Representative Justin Slaughter
State Representative Nicholas K. Smith
SSMMA President and Village of Glenwood Mayor Ron Gardiner
SSMMA Legislative Chairman and Village of Richton Park President Rick Reinbold
Village of Alsip Mayor John Ryan
City of Blue Island Mayor Fred Bilotto
Village of Burnham President Robert E. Polk
City of Calumet City Mayor Thaddeus Jones
Village of Calumet Park Mayor Ronald Denson
City of Chicago Heights Mayor David A. Gonzalez
City of Country Club Hills Mayor James W. Ford
Village of Crestwood Mayor Kenneth Klein
Village of Dixmoor President Fitzgerald Roberts
Village of Dolton Village President Tiffany Henyard
Village of East Hazel Crest President Thomas A. Brown
Village of Flossmoor Mayor Michelle Nelson
Village of Ford Heights Mayor Charles Griffin
City of Harvey Mayor Christopher Clark
Village of Hazel Crest Mayor Vernard L. Alsberry, Jr.
Village of Homewood President Richard A. Hofeld
Village of Lansing President Patricia Eidam
Village of Lynwood President Jada Curry
City of Markham Mayor Roger A. Agpawa
Village of Matteson President Sheila Chalmers-Currin
Village of Midlothian President Gary L'Heureux
City of Oak Forest Mayor Henry "Hank" Kuspa

Village of Olympia Fields President Sterling Burke
Village of Orland Hills President Kyle R. Hastings
Village of Orland Park President Keith Pekau
Village of Park Forest President Joseph Woods
Village of Phoenix President Terry R. Wells
Village of Posen President Frank A. Podbielniak
Village of Riverdale President Lawrence Jackson
Village of Robbins Mayor Darren Bryant
Village of Sauk Village Mayor Derrick Burgess
Village of South Chicago Heights President Terry Matthews
Village of South Holland President Don A. De Graff
Village of Thornton President Robert "Bob" Kolosh
Village of Tinley Park President Michael Glotz
Village of University Park Mayor Joseph Roudez III
Village of Worth Mayor Mary Werner