

TITLE 17: CONSERVATION  
CHAPTER VI: HISTORIC PRESERVATION AGENCY

PART 4150  
TAX INCENTIVES TO REHABILITATE  
OWNER-OCCUPIED HISTORIC RESIDENCES

Section

- 4150.10 Revenue Act of 1939, as amended  
4150.20 Definitions  
4150.40 Regulations Pertaining to the Certification of an Historic Building  
4150.50 Regulations Pertaining to the Issuance of a Certificate of Rehabilitation  
4150.60 Regulations Pertaining to the Approval of County or Municipal Landmark Ordinances  
4150.80 Regulations Pertaining to the Approval of Local Governments  
4150.90 Revocation of Certification of Rehabilitation

AUTHORITY: Implementing and authorized by Sections 20j-1, 20j-2, 20j-3, 20j-4, 20j-5, 20j-6, 20j-7 and 20j-8 of the Revenue Act of 1939 (Ill. Rev. Stat., 1983, ch. 120, pars. 501j-1, 501j-2, 501j-3, 501j-4, 501j-5, 501j-6, 501j-7 and 501j-8).

SOURCE: Adopted and codified at 7 Ill. Reg. 15613, effective November 8, 1983; amended at 8 Ill. Reg. 7832, effective May 23, 1984; recodified from 17 Ill. Adm. Code 360 (Department of Conservation) to 17 Ill. Adm. Code 4150 (Historic Preservation Agency) pursuant to Article III of P.A. 84-25, effective July 18, 1985 at 10 Ill. Reg. 3278.

Section 4150.10 Revenue Act of 1939, as amended

In 1983, amendments to the Revenue Act of 1939 provided tax incentives to encourage owner-occupants to restore and rehabilitate their homes. These incentives take the form of freezing the properties; assessed valuation for eight years, once specified conditions are met. The Revenue Act assists landmark protection and revitalization by promoting the recognition and designation of historic buildings and areas throughout the state and by creating an incentive to upgrade neighborhoods and housing. In order to obtain the assessment freeze, the owner must first obtain a determination from the Director that the property qualifies as a historic building and then a determination that the rehabilitation of the property meets the Secretary of the Interior's standards for rehabilitation (36 CFR 67.7, 1983). A certificate of rehabilitation may also be obtained from an approved local government.

Section 4150.20 Definitions

- a) The definitions set forth in Section 20 (j-1) of the Revenue Act of 1939 will apply throughout this Part.
- b) The following definitions will apply throughout this Part in lieu of those set forth in the Act:
  - 1) "Rehabilitation period" means the period of time necessary to

renovate, restore, preserve or rehabilitate an historic building which commences on the first day of construction.

- 2) "Substantial rehabilitation" means a rehabilitation project that provides a visible community benefit that enhances or improves the condition of the historic building and involves at a minimum, the exterior of the historic building.

**Section 4150.40 Regulations Pertaining to the Certification of an Historic Building**

- a) A property individually listed on the National Register of Historic Places or Illinois Register of Historic Places or individually designated pursuant to an approved county or municipal landmark ordinance is automatically considered to be a certified historic building, and Section 4150.40(b) & (c) do not apply.
- b) A property within a district listed on the National Register of Historic Places or designated pursuant to an approved county or municipal landmark ordinance must be determined, by the Director, to be of historic significance to the district in which it is located in order to qualify as an historic building. Any property owner may submit an application for certification of an historic building in a form approved by the Director which contains the following information:
  - 1) the address and location of the property
  - 2) a map showing the location of the property
  - 3) any photographs showing the current principal views of the building
  - 4) designation authority, that is, The Illinois Register, National Register of Historic Places, or local ordinance
  - 5) the name of the district and a statement describing the contribution of the building to the significance of the district.
- c) Within 45 days of the receipt of a complete and correct application, the Director shall determine whether or not the building is of historic significance to the district in which it is located pursuant to the criteria in 36 CFR 67.5, 1983, and inform the applicant of his decision in writing.

**Section 4150.50 Regulations Pertaining to the Issuance of a Certificate of Rehabilitation**

- a) The owner of a certified historic building may submit an application for a certificate of rehabilitation in a form approved by the Director which contains the following information;
  - 1) the address or location of the certified historic building,
  - 2) documentation of the cost of the rehabilitation, including the cost of architectural fees,
  - 3) a statement from the assessment officer stating the fair cash value of the historic building for the year in which the rehabilitation period begins,
  - 4) the owner's assurance in writing that no certificate of rehabilitation has been approved for the same historic building

- within four years after the last year of the adjustment valuation period,
- 5) name and address of assessment officer
  - 6) a description of the original condition of the building, when possible, and condition of the building immediately prior to the rehabilitation,
  - 7) a description of the completed rehabilitation work, including plans and specifications,
  - 8) documentation of the date on which construction commenced, and
  - 9) black and white photographs 5" x 7" or larger showing the completed rehabilitation work, the appearance of the structure immediately prior to the rehabilitation, and if possible the original appearance of the structure.
- b) Within forty-five days of the receipt of a complete and correct application for a certification of rehabilitation the Director shall make a final administrative decision and shall issue a certificate of rehabilitation to the applicant and transmit a copy to the assessment officer if he determines that:
- 1) the completed work meets the Standards for the Rehabilitation of Historic Structures as promulgated by the United State's Secretary of the Interior (36 CFR 67.7, 1983),
  - 2) the work is substantial rehabilitation, and
  - 3) the cost of the rehabilitation is equal to or greater than twenty-five percent of the base year valuation.
- c) The Director may extend the deadline up to an additional 45 days for response to either the application for certification of a historic building or a certification of rehabilitation if he feels that a site inspection is necessary such as when photographs are unclear or the application of materials require visual examination.
- d) A property owner may request a preliminary approval for a proposed rehabilitation from the Director before the rehabilitation period begins provided that the building has been certified pursuant to Section 4150.40 of this part. Such approvals are preliminary only and are not binding upon the director.
- 1) In order to obtain a preliminary approval the owner must provide the following information to the Director for review:
    - A) a description of the original condition of the building,
    - B) a description of the present condition of the building,
    - C) a description, plans, and specification, for the proposed rehabilitation, and
    - D) black and white photographs, 5" x 7" or larger, showing the present appearance of the building and, if possible, the original appearance of the building.
  - 2) The Director will give preliminary approval if the proposed rehabilitation appears to meet the Standards for the Rehabilitation of Historic Structures found at (36 CFR 67.7, 1983). A property owner may apply for a certificate of rehabilitation by submitting an application pursuant to Section 4150.50(a) and shall be issued a certificate of rehabilitation if the rehabilitation meets the criteria in Section 4150.50(b).

**Section 4150.60 Regulations Pertaining to the Approval of County or Municipal Landmark Ordinances**

- a) The chief elected official of a county or municipality may request in writing the approval of the Director for a landmark ordinance. The following documentation shall accompany the request:
- 1) a copy of the ordinance for which approval is requested,
  - 2) a list, including the common addresses and verbal boundary descriptions of all individual properties and historic districts designated under the ordinance,
  - 3) a description and statement of significance for all designated individual properties and historic districts which includes representative photographic views,
  - 4) a map indicating the location of individual landmarks and historic districts, and
- b) Within forty-five days of receipt of the request and the documentation required in Section 4150.60(a), the Director shall approve the ordinance by letter to the chief elected official if the documentation indicates compliance with criteria for designation of landmarks and historic districts established by the United States Department of the Interior for the inclusion of properties in the National Register of Historic Places (36 CFR 60, 1983), and if the ordinance contains provisions for the following:
- 1) authorization for historic preservation under (Ill. Rev. Stat. 1983, ch. 24, par. 11-48.2 et seq.), the Illinois Historic Areas Preservation Act (Ill. Rev. Stat. 1983, ch. 127, par. 133d-1 et seq.), the Illinois Zoning Enabling Act (Ill. Rev. Stat. 1983, ch. 24, par. 11-13.1), or the Home Rule section of the Illinois Constitution (Section 6 (a) of Article VII),
  - 2) a statement of purpose
  - 3) establishment of a historic review commission which shall
    - A) have no fewer than five members
    - B) have demonstrated expertise in the disciplines of history, architectural history, historic architecture, architecture, community planning, real estate, neighborhood conservation, historic preservation, or related field,
    - C) have staggered terms of office for members,
    - D) hold meetings at regular intervals at least four times each year,
  - 4) criteria for designation of landmarks and/or historic districts that are consistent with those established by the United States Department of the Interior for the inclusion of properties in the National Register of Historic Places (36 CFR 60, 1983),
  - 5) a process for designation of historic districts and/or landmarks,
  - 6) a definition of actions that merit review by the historic review commission which shall include demolitions and major alterations,
  - 7) standards and criteria for review of actions within the jurisdiction of the historic review commission, and
  - 8) procedural due process such as notification and an appeal procedures.

(Source: Amended at 8 Ill. Reg. 7832, effective May 23, 1984)

### Section 4150.80 Regulations Pertaining to the Approval of Local Governments

- a) The chief elected official of a local government may request in writing the certification by the Director that the local government is an approved local government.
- b) The request will be accompanied by assurances that the local government:
  - 1) enforces legislation for the designation of historic buildings,
  - 2) has an approved county or municipal ordinance in accordance with Section 4150.60 of this part,
  - 3) maintains a historic review commission which shall, in addition to the requirements in Section 4150.60(b)(3):
    - A) be represented at at least one informational or educational workshop, seminar, or meeting each year pertaining to the work and functions of the commission or to historic preservation,
    - B) transmits to the Director an annual report of its activities including, at a minimum, the number of cases reviewed, new designations made, progress on survey activities, revised resumes for commission members, attendance records, and documentation for the meetings referenced in Section 4150.80(b)(3)(A), above, and shall submit these reports within sixty days after the end of the fiscal year for the local government,
    - C) monitor and report to the Director any activity affecting any property in its jurisdiction listed in the Illinois Register of Historic Places, and
    - D) transmit records of proceedings to the Director at the same time they are transmitted to the members of the commission.
  - 4) maintains a system for the survey and inventory of historic properties.
    - A) The local government shall initiate or continue a process for survey and inventory for properties within the local jurisdiction.
    - B) All inventory material shall be maintained securely and shall be accessible to the public.
    - C) All inventory material shall be updated to reflect changes, alterations, and demolitions.
    - D) There shall be a building by building survey and inventory for each designated historic district.
  - 5) provides for adequate public participation in the local historic preservation program by:
    - A) fulfilling the responsibilities of the Illinois Open Meetings Act (Ill. Rev. Stat. 1981, ch. 102, par. 41 et. seq.).
    - B) keeping careful minutes of all actions of the commission including the reasons for making decisions and keeping these minutes on file and available to the public.
  - 6) maintains a system for reviewing applications for certifications

of rehabilitations.

- A) The approved local government shall assume the responsibilities of the Director under Section 4150.40(c).
  - B) Within 45 days of the receipt of the complete and correct application for a certification of rehabilitation, the approved local government shall approve or disapprove the application and transmit a copy of the application and recommendation to the Director. The local government shall approve the application if it meets the criteria in Section 4150.50(b) (1), (2) and (3).
  - C) Within thirty days of receipt of the application and recommendation, the Director shall approve or disapprove the recommendation based on the criteria in Section 4150.50(b) (1) (2) and (3). The approved local government and applicant shall be notified of the Director's final administrative decision in writing.
- c) Within forty-five days of the receipt of the request and the correct and complete assurances, the Director shall certify that the local government is an approved local government and notify the chief elected official in writing if he determines that the local government has satisfied conditions in Section 4150.80 (a) and (b).

#### **Section 4150.90 Revocation of Certification of Rehabilitation**

A certification of rehabilitation shall be revoked pursuant to Section 20j-4(e) of the Revenue Act of 1939. A certification holder will be provided a hearing according to the procedures in 17 Ill. Adm. Code 2530 prior to revocation.