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LRB094 16185 RCE 57836 a

1 AMENDMENT TO SENATE BILL 2348

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2348 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Municipal Code is amended by  
5 changing Section 11-74.4-4 as follows:

6 (65 ILCS 5/11-74.4-4) (from Ch. 24, par. 11-74.4-4)

7 Sec. 11-74.4-4. Municipal powers and duties; redevelopment  
8 project areas. A municipality may:

9 (a) The changes made by this amendatory Act of the 91st  
10 General Assembly do not apply to a municipality that, (i)  
11 before the effective date of this amendatory Act of the 91st  
12 General Assembly, has adopted an ordinance or resolution fixing  
13 a time and place for a public hearing under Section 11-74.4-5  
14 or (ii) before July 1, 1999, has adopted an ordinance or  
15 resolution providing for a feasibility study under Section  
16 11-74.4-4.1, but has not yet adopted an ordinance approving  
17 redevelopment plans and redevelopment projects or designating  
18 redevelopment project areas under this Section, until after  
19 that municipality adopts an ordinance approving redevelopment  
20 plans and redevelopment projects or designating redevelopment  
21 project areas under this Section; thereafter the changes made  
22 by this amendatory Act of the 91st General Assembly apply to  
23 the same extent that they apply to redevelopment plans and  
24 redevelopment projects that were approved and redevelopment

1 projects that were designated before the effective date of this  
2 amendatory Act of the 91st General Assembly.

3 By ordinance introduced in the governing body of the  
4 municipality within 14 to 90 days from the completion of the  
5 hearing specified in Section 11-74.4-5 approve redevelopment  
6 plans and redevelopment projects, and designate redevelopment  
7 project areas pursuant to notice and hearing required by this  
8 Act. No redevelopment project area shall be designated unless a  
9 plan and project are approved prior to the designation of such  
10 area and such area shall include only those contiguous parcels  
11 of real property and improvements thereon substantially  
12 benefited by the proposed redevelopment project improvements.  
13 Upon adoption of the ordinances, the municipality shall  
14 forthwith transmit to the county clerk of the county or  
15 counties within which the redevelopment project area is located  
16 a certified copy of the ordinances, a legal description of the  
17 redevelopment project area, a map of the redevelopment project  
18 area, identification of the year that the county clerk shall  
19 use for determining the total initial equalized assessed value  
20 of the redevelopment project area consistent with subsection  
21 (a) of Section 11-74.4-9, and a list of the parcel or tax  
22 identification number of each parcel of property included in  
23 the redevelopment project area.

24 (b) Make and enter into all contracts with property owners,  
25 developers, tenants, overlapping taxing bodies, and others  
26 necessary or incidental to the implementation and furtherance  
27 of its redevelopment plan and project. Contract provisions  
28 concerning loan repayment obligations in contracts entered  
29 into on or after the effective date of this amendatory Act of  
30 the 93rd General Assembly shall terminate no later than the  
31 last to occur of the estimated dates of completion of the  
32 redevelopment project and retirement of the obligations issued  
33 to finance redevelopment project costs as required by item (3)  
34 of subsection (n) of Section 11-74.4-3. Payments received under

1 contracts entered into by the municipality prior to the  
2 effective date of this amendatory Act of the 93rd General  
3 Assembly that are received after the redevelopment project area  
4 has been terminated by municipal ordinance shall be deposited  
5 into a special fund of the municipality to be used for other  
6 community redevelopment needs within the redevelopment project  
7 area.

8 (c) Within a redevelopment project area, acquire by  
9 purchase, donation, lease or eminent domain; own, convey,  
10 lease, mortgage or dispose of land and other property, real or  
11 personal, or rights or interests therein, and grant or acquire  
12 licenses, easements and options with respect thereto, all in  
13 the manner and at such price the municipality determines is  
14 reasonably necessary to achieve the objectives of the  
15 redevelopment plan and project. No conveyance, lease,  
16 mortgage, disposition of land or other property owned by a  
17 municipality, or agreement relating to the development of such  
18 municipal property shall be made except upon the adoption of an  
19 ordinance by the corporate authorities of the municipality.  
20 Furthermore, no conveyance, lease, mortgage, or other  
21 disposition of land owned by a municipality or agreement  
22 relating to the development of such municipal property shall be  
23 made without making public disclosure of the terms of the  
24 disposition and all bids and proposals made in response to the  
25 municipality's request. The procedures for obtaining such bids  
26 and proposals shall provide reasonable opportunity for any  
27 person to submit alternative proposals or bids.

28 (d) Within a redevelopment project area, clear any area by  
29 demolition or removal of any existing buildings and structures.

30 (e) Within a redevelopment project area, renovate or  
31 rehabilitate or construct any structure or building, as  
32 permitted under this Act.

33 (f) Install, repair, construct, reconstruct or relocate  
34 streets, utilities and site improvements essential to the

1 preparation of the redevelopment area for use in accordance  
2 with a redevelopment plan.

3 (g) Within a redevelopment project area, fix, charge and  
4 collect fees, rents and charges for the use of any building or  
5 property owned or leased by it or any part thereof, or facility  
6 therein.

7 (h) Accept grants, guarantees and donations of property,  
8 labor, or other things of value from a public or private source  
9 for use within a project redevelopment area.

10 (i) Acquire and construct public facilities within a  
11 redevelopment project area, as permitted under this Act.

12 (j) Incur project redevelopment costs and reimburse  
13 developers who incur redevelopment project costs authorized by  
14 a redevelopment agreement; provided, however, that on and after  
15 the effective date of this amendatory Act of the 91st General  
16 Assembly, no municipality shall incur redevelopment project  
17 costs (except for planning costs and any other eligible costs  
18 authorized by municipal ordinance or resolution that are  
19 subsequently included in the redevelopment plan for the area  
20 and are incurred by the municipality after the ordinance or  
21 resolution is adopted) that are not consistent with the program  
22 for accomplishing the objectives of the redevelopment plan as  
23 included in that plan and approved by the municipality until  
24 the municipality has amended the redevelopment plan as provided  
25 elsewhere in this Act.

26 (k) Create a commission of not less than 5 or more than 15  
27 persons to be appointed by the mayor or president of the  
28 municipality with the consent of the majority of the governing  
29 board of the municipality. Members of a commission appointed  
30 after the effective date of this amendatory Act of 1987 shall  
31 be appointed for initial terms of 1, 2, 3, 4 and 5 years,  
32 respectively, in such numbers as to provide that the terms of  
33 not more than 1/3 of all such members shall expire in any one  
34 year. Their successors shall be appointed for a term of 5

1 years. The commission, subject to approval of the corporate  
2 authorities may exercise the powers enumerated in this Section.  
3 The commission shall also have the power to hold the public  
4 hearings required by this division and make recommendations to  
5 the corporate authorities concerning the adoption of  
6 redevelopment plans, redevelopment projects and designation of  
7 redevelopment project areas.

8 (l) Make payment in lieu of taxes or a portion thereof to  
9 taxing districts. If payments in lieu of taxes or a portion  
10 thereof are made to taxing districts, those payments shall be  
11 made to all districts within a project redevelopment area on a  
12 basis which is proportional to the current collections of  
13 revenue which each taxing district receives from real property  
14 in the redevelopment project area.

15 (m) Exercise any and all other powers necessary to  
16 effectuate the purposes of this Act.

17 (n) If any member of the corporate authority, a member of a  
18 commission established pursuant to Section 11-74.4-4(k) of  
19 this Act, or an employee or consultant of the municipality  
20 involved in the planning and preparation of a redevelopment  
21 plan, or project for a redevelopment project area or proposed  
22 redevelopment project area, as defined in Sections  
23 11-74.4-3(i) through (k) of this Act, owns or controls an  
24 interest, direct or indirect, in any property included in any  
25 redevelopment area, or proposed redevelopment area, he or she  
26 shall disclose the same in writing to the clerk of the  
27 municipality, and shall also so disclose the dates and terms  
28 and conditions of any disposition of any such interest, which  
29 disclosures shall be acknowledged by the corporate authorities  
30 and entered upon the minute books of the corporate authorities.  
31 If an individual holds such an interest then that individual  
32 shall refrain from any further official involvement in regard  
33 to such redevelopment plan, project or area, from voting on any  
34 matter pertaining to such redevelopment plan, project or area,

1 or communicating with other members concerning corporate  
2 authorities, commission or employees concerning any matter  
3 pertaining to said redevelopment plan, project or area.  
4 Furthermore, no such member or employee shall acquire of any  
5 interest direct, or indirect, in any property in a  
6 redevelopment area or proposed redevelopment area after either  
7 (a) such individual obtains knowledge of such plan, project or  
8 area or (b) first public notice of such plan, project or area  
9 pursuant to Section 11-74.4-6 of this Division, whichever  
10 occurs first. For the purposes of this subsection, a property  
11 interest acquired in a single parcel of property by a member of  
12 the corporate authority, which property is used exclusively as  
13 the member's primary residence, shall not be deemed to  
14 constitute an interest in any property included in a  
15 redevelopment area or proposed redevelopment area that was  
16 established before December 31, 1989, but the member must  
17 disclose the acquisition to the municipal clerk under the  
18 provisions of this subsection. A single property interest  
19 acquired within one year after the effective date of this  
20 amendatory Act of the 94th General Assembly by a member of the  
21 corporate authority does not constitute an interest in any  
22 property included in any redevelopment area or proposed  
23 redevelopment area, regardless of when the redevelopment area  
24 was established, if (i) the property is used exclusively as the  
25 member's primary residence, (ii) the member discloses the  
26 acquisition to the municipal clerk under the provisions of this  
27 subsection, (iii) the acquisition is for fair market value,  
28 (iv) the member acquires the property as a result of the  
29 property being publicly advertised for sale, and (v) the member  
30 refrains from voting on, and communicating with other members  
31 concerning, any matter when the benefits to the redevelopment  
32 project or area would be significantly greater than the  
33 benefits to the municipality as a whole. For the purposes of  
34 this subsection, a month-to-month leasehold interest in a

1 single parcel of property by a member of the corporate  
2 authority shall not be deemed to constitute an interest in any  
3 property included in any redevelopment area or proposed  
4 redevelopment area, but the member must disclose the interest  
5 to the municipal clerk under the provisions of this subsection.

6 (o) Create a Tax Increment Economic Development Advisory  
7 Committee to be appointed by the Mayor or President of the  
8 municipality with the consent of the majority of the governing  
9 board of the municipality, the members of which Committee shall  
10 be appointed for initial terms of 1, 2, 3, 4 and 5 years  
11 respectively, in such numbers as to provide that the terms of  
12 not more than 1/3 of all such members shall expire in any one  
13 year. Their successors shall be appointed for a term of 5  
14 years. The Committee shall have none of the powers enumerated  
15 in this Section. The Committee shall serve in an advisory  
16 capacity only. The Committee may advise the governing Board of  
17 the municipality and other municipal officials regarding  
18 development issues and opportunities within the redevelopment  
19 project area or the area within the State Sales Tax Boundary.  
20 The Committee may also promote and publicize development  
21 opportunities in the redevelopment project area or the area  
22 within the State Sales Tax Boundary.

23 (p) Municipalities may jointly undertake and perform  
24 redevelopment plans and projects and utilize the provisions of  
25 the Act wherever they have contiguous redevelopment project  
26 areas or they determine to adopt tax increment financing with  
27 respect to a redevelopment project area which includes  
28 contiguous real property within the boundaries of the  
29 municipalities, and in doing so, they may, by agreement between  
30 municipalities, issue obligations, separately or jointly, and  
31 expend revenues received under the Act for eligible expenses  
32 anywhere within contiguous redevelopment project areas or as  
33 otherwise permitted in the Act.

34 (q) Utilize revenues, other than State sales tax increment

1 revenues, received under this Act from one redevelopment  
2 project area for eligible costs in another redevelopment  
3 project area that is:

4 (i) contiguous to the redevelopment project area from  
5 which the revenues are received;

6 (ii) separated only by a public right of way from the  
7 redevelopment project area from which the revenues are  
8 received; or

9 (iii) separated only by forest preserve property from  
10 the redevelopment project area from which the revenues are  
11 received if the closest boundaries of the redevelopment  
12 project areas that are separated by the forest preserve  
13 property are less than one mile apart.

14 Utilize tax increment revenues for eligible costs that are  
15 received from a redevelopment project area created under the  
16 Industrial Jobs Recovery Law that is either contiguous to, or  
17 is separated only by a public right of way from, the  
18 redevelopment project area created under this Act which  
19 initially receives these revenues. Utilize revenues, other  
20 than State sales tax increment revenues, by transferring or  
21 loaning such revenues to a redevelopment project area created  
22 under the Industrial Jobs Recovery Law that is either  
23 contiguous to, or separated only by a public right of way from  
24 the redevelopment project area that initially produced and  
25 received those revenues; and, if the redevelopment project area  
26 (i) was established before the effective date of this  
27 amendatory Act of the 91st General Assembly and (ii) is located  
28 within a municipality with a population of more than 100,000,  
29 utilize revenues or proceeds of obligations authorized by  
30 Section 11-74.4-7 of this Act, other than use or occupation tax  
31 revenues, to pay for any redevelopment project costs as defined  
32 by subsection (q) of Section 11-74.4-3 to the extent that the  
33 redevelopment project costs involve public property that is  
34 either contiguous to, or separated only by a public right of



1 way from, a redevelopment project area whether or not  
2 redevelopment project costs or the source of payment for the  
3 costs are specifically set forth in the redevelopment plan for  
4 the redevelopment project area.

5 (r) If no redevelopment project has been initiated in a  
6 redevelopment project area within 7 years after the area was  
7 designated by ordinance under subsection (a), the municipality  
8 shall adopt an ordinance repealing the area's designation as a  
9 redevelopment project area; provided, however, that if an area  
10 received its designation more than 3 years before the effective  
11 date of this amendatory Act of 1994 and no redevelopment  
12 project has been initiated within 4 years after the effective  
13 date of this amendatory Act of 1994, the municipality shall  
14 adopt an ordinance repealing its designation as a redevelopment  
15 project area. Initiation of a redevelopment project shall be  
16 evidenced by either a signed redevelopment agreement or  
17 expenditures on eligible redevelopment project costs  
18 associated with a redevelopment project.

19 (Source: P.A. 92-16, eff. 6-28-01; 93-298, eff. 7-23-03;  
20 93-961, eff. 1-1-05; 93-1098, eff. 1-1-06.)

21 Section 99. Effective date. This Act takes effect January  
22 1, 2007."