

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**
3 **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 and shall consider
15 definitions of these terms set forth in the Agricultural Act of
16 2014 or the most recent federal Agricultural Act and the use of
17 those terms by the United States Department of Agriculture.
18 Upon request from a municipality, the Department shall issue
19 opinions regarding the consistency of applicants covered under
20 these definitions.

21 Section 10. The Property Tax Code is amended by changing
22 Section 18-165 as follows:

1 (35 ILCS 200/18-165)

2 Sec. 18-165. Abatement of taxes.

3 (a) Any taxing district, upon a majority vote of its
4 governing authority, may, after the determination of the
5 assessed valuation of its property, order the clerk of that
6 county to abate any portion of its taxes on the following types
7 of property:

8 (1) Commercial and industrial.

9 (A) The property of any commercial or industrial
10 firm, including but not limited to the property of (i)
11 any firm that is used for collecting, separating,
12 storing, or processing recyclable materials, locating
13 within the taxing district during the immediately
14 preceding year from another state, territory, or
15 country, or having been newly created within this State
16 during the immediately preceding year, or expanding an
17 existing facility, or (ii) any firm that is used for
18 the generation and transmission of electricity
19 locating within the taxing district during the
20 immediately preceding year or expanding its presence
21 within the taxing district during the immediately
22 preceding year by construction of a new electric
23 generating facility that uses natural gas as its fuel,
24 or any firm that is used for production operations at a
25 new, expanded, or reopened coal mine within the taxing

1 district, that has been certified as a High Impact
2 Business by the Illinois Department of Commerce and
3 Economic Opportunity. The property of any firm used for
4 the generation and transmission of electricity shall
5 include all property of the firm used for transmission
6 facilities as defined in Section 5.5 of the Illinois
7 Enterprise Zone Act. The abatement shall not exceed a
8 period of 10 years and the aggregate amount of abated
9 taxes for all taxing districts combined shall not
10 exceed \$4,000,000.

11 (A-5) Any property in the taxing district of a new
12 electric generating facility, as defined in Section
13 605-332 of the Department of Commerce and Economic
14 Opportunity Law of the Civil Administrative Code of
15 Illinois. The abatement shall not exceed a period of 10
16 years. The abatement shall be subject to the following
17 limitations:

18 (i) if the equalized assessed valuation of the
19 new electric generating facility is equal to or
20 greater than \$25,000,000 but less than
21 \$50,000,000, then the abatement may not exceed (i)
22 over the entire term of the abatement, 5% of the
23 taxing district's aggregate taxes from the new
24 electric generating facility and (ii) in any one
25 year of abatement, 20% of the taxing district's
26 taxes from the new electric generating facility;

1 (ii) if the equalized assessed valuation of
2 the new electric generating facility is equal to or
3 greater than \$50,000,000 but less than
4 \$75,000,000, then the abatement may not exceed (i)
5 over the entire term of the abatement, 10% of the
6 taxing district's aggregate taxes from the new
7 electric generating facility and (ii) in any one
8 year of abatement, 35% of the taxing district's
9 taxes from the new electric generating facility;

10 (iii) if the equalized assessed valuation of
11 the new electric generating facility is equal to or
12 greater than \$75,000,000 but less than
13 \$100,000,000, then the abatement may not exceed
14 (i) over the entire term of the abatement, 20% of
15 the taxing district's aggregate taxes from the new
16 electric generating facility and (ii) in any one
17 year of abatement, 50% of the taxing district's
18 taxes from the new electric generating facility;

19 (iv) if the equalized assessed valuation of
20 the new electric generating facility is equal to or
21 greater than \$100,000,000 but less than
22 \$125,000,000, then the abatement may not exceed
23 (i) over the entire term of the abatement, 30% of
24 the taxing district's aggregate taxes from the new
25 electric generating facility and (ii) in any one
26 year of abatement, 60% of the taxing district's

1 taxes from the new electric generating facility;

2 (v) if the equalized assessed valuation of the
3 new electric generating facility is equal to or
4 greater than \$125,000,000 but less than
5 \$150,000,000, then the abatement may not exceed
6 (i) over the entire term of the abatement, 40% of
7 the taxing district's aggregate taxes from the new
8 electric generating facility and (ii) in any one
9 year of abatement, 60% of the taxing district's
10 taxes from the new electric generating facility;

11 (vi) if the equalized assessed valuation of
12 the new electric generating facility is equal to or
13 greater than \$150,000,000, then the abatement may
14 not exceed (i) over the entire term of the
15 abatement, 50% of the taxing district's aggregate
16 taxes from the new electric generating facility
17 and (ii) in any one year of abatement, 60% of the
18 taxing district's taxes from the new electric
19 generating facility.

20 The abatement is not effective unless the owner of
21 the new electric generating facility agrees to repay to
22 the taxing district all amounts previously abated,
23 together with interest computed at the rate and in the
24 manner provided for delinquent taxes, in the event that
25 the owner of the new electric generating facility
26 closes the new electric generating facility before the

1 expiration of the entire term of the abatement.

2 The authorization of taxing districts to abate
3 taxes under this subdivision (a)(1)(A-5) expires on
4 January 1, 2010.

5 (B) The property of any commercial or industrial
6 development of at least (i) 500 acres or (ii) 225 acres
7 in the case of a commercial or industrial development
8 that applies for and is granted designation as a High
9 Impact Business under paragraph (F) of item (3) of
10 subsection (a) of Section 5.5 of the Illinois
11 Enterprise Zone Act, having been created within the
12 taxing district. The abatement shall not exceed a
13 period of 20 years and the aggregate amount of abated
14 taxes for all taxing districts combined shall not
15 exceed \$12,000,000.

16 (C) The property of any commercial or industrial
17 firm currently located in the taxing district that
18 expands a facility or its number of employees. The
19 abatement shall not exceed a period of 10 years and the
20 aggregate amount of abated taxes for all taxing
21 districts combined shall not exceed \$4,000,000. The
22 abatement period may be renewed at the option of the
23 taxing districts.

24 (2) Horse racing. Any property in the taxing district
25 which is used for the racing of horses and upon which
26 capital improvements consisting of expansion, improvement

1 or replacement of existing facilities have been made since
2 July 1, 1987. The combined abatements for such property
3 from all taxing districts in any county shall not exceed
4 \$5,000,000 annually and shall not exceed a period of 10
5 years.

6 (3) Auto racing. Any property designed exclusively for
7 the racing of motor vehicles. Such abatement shall not
8 exceed a period of 10 years.

9 (4) Academic or research institute. The property of any
10 academic or research institute in the taxing district that
11 (i) is an exempt organization under paragraph (3) of
12 Section 501(c) of the Internal Revenue Code, (ii) operates
13 for the benefit of the public by actually and exclusively
14 performing scientific research and making the results of
15 the research available to the interested public on a
16 non-discriminatory basis, and (iii) employs more than 100
17 employees. An abatement granted under this paragraph shall
18 be for at least 15 years and the aggregate amount of abated
19 taxes for all taxing districts combined shall not exceed
20 \$5,000,000.

21 (5) Housing for older persons. Any property in the
22 taxing district that is devoted exclusively to affordable
23 housing for older households. For purposes of this
24 paragraph, "older households" means those households (i)
25 living in housing provided under any State or federal
26 program that the Department of Human Rights determines is

1 specifically designed and operated to assist elderly
2 persons and is solely occupied by persons 55 years of age
3 or older and (ii) whose annual income does not exceed 80%
4 of the area gross median income, adjusted for family size,
5 as such gross income and median income are determined from
6 time to time by the United States Department of Housing and
7 Urban Development. The abatement shall not exceed a period
8 of 15 years, and the aggregate amount of abated taxes for
9 all taxing districts shall not exceed \$3,000,000.

10 (6) Historical society. For assessment years 1998
11 through 2018, the property of an historical society
12 qualifying as an exempt organization under Section
13 501(c)(3) of the federal Internal Revenue Code.

14 (7) Recreational facilities. Any property in the
15 taxing district (i) that is used for a municipal airport,
16 (ii) that is subject to a leasehold assessment under
17 Section 9-195 of this Code and (iii) which is sublet from a
18 park district that is leasing the property from a
19 municipality, but only if the property is used exclusively
20 for recreational facilities or for parking lots used
21 exclusively for those facilities. The abatement shall not
22 exceed a period of 10 years.

23 (8) Relocated corporate headquarters. If approval
24 occurs within 5 years after the effective date of this
25 amendatory Act of the 92nd General Assembly, any property
26 or a portion of any property in a taxing district that is

1 used by an eligible business for a corporate headquarters
2 as defined in the Corporate Headquarters Relocation Act.
3 Instead of an abatement under this paragraph (8), a taxing
4 district may enter into an agreement with an eligible
5 business to make annual payments to that eligible business
6 in an amount not to exceed the property taxes paid directly
7 or indirectly by that eligible business to the taxing
8 district and any other taxing districts for premises
9 occupied pursuant to a written lease and may make those
10 payments without the need for an annual appropriation. No
11 school district, however, may enter into an agreement with,
12 or abate taxes for, an eligible business unless the
13 municipality in which the corporate headquarters is
14 located agrees to provide funding to the school district in
15 an amount equal to the amount abated or paid by the school
16 district as provided in this paragraph (8). Any abatement
17 ordered or agreement entered into under this paragraph (8)
18 may be effective for the entire term specified by the
19 taxing district, except the term of the abatement or annual
20 payments may not exceed 20 years.

21 (9) United States Military Public/Private Residential
22 Developments. Each building, structure, or other
23 improvement designed, financed, constructed, renovated,
24 managed, operated, or maintained after January 1, 2006
25 under a "PPV Lease", as set forth under Division 14 of
26 Article 10, and any such PPV Lease.

1 (10) Property located in a business corridor that
2 qualifies for an abatement under Section 18-184.10.

3 (11) Under Section 11-15.4-25 of the Illinois
4 Municipal Code, property located within an urban
5 agricultural area that is used by a qualifying farmer for
6 processing, growing, raising, or otherwise producing
7 agricultural products.

8 (b) Upon a majority vote of its governing authority, any
9 municipality may, after the determination of the assessed
10 valuation of its property, order the county clerk to abate any
11 portion of its taxes on any property that is located within the
12 corporate limits of the municipality in accordance with Section
13 8-3-18 of the Illinois Municipal Code.

14 (Source: P.A. 97-577, eff. 1-1-12; 97-636, eff. 6-1-12; 98-109,
15 eff. 7-25-13.)

16 Section 15. The Illinois Municipal Code is amended by
17 changing Section 11-74.4-3 and by adding Division 15.4 to
18 Article 11 as follows:

19 (65 ILCS 5/Art. 11 Div. 15.4 heading new)

20 DIVISION 15.4. MUNICIPAL URBAN AGRICULTURAL AREAS

21 (65 ILCS 5/11-15.4-5 new)

22 Sec. 11-15.4-5. Definitions. As used in this Division:

23 "Agricultural product" means an agricultural,

1 horticultural, viticultural, aquacultural, or vegetable
2 product, either in its natural or processed state, that has
3 been produced, processed, or otherwise had value added to it in
4 this State. "Agricultural product" includes, but is not limited
5 to, growing of grapes that will be processed into wine; bees;
6 honey; fish or other aquacultural product; planting seed;
7 livestock or livestock product; forestry product; and poultry
8 or poultry product.

9 "Aquaculture" and "aquatic products" have the meanings
10 given to those terms in Section 4 of the Aquaculture
11 Development Act.

12 "Department" means the Department of Agriculture.

13 "Livestock" means cattle; calves; sheep; swine; ratite
14 birds, including, but not limited to, ostrich and emu; aquatic
15 products obtained through aquaculture; llamas; alpaca;
16 buffalo; elk documented as obtained from a legal source and not
17 from the wild; goats; horses and other equines; or rabbits
18 raised in confinement for human consumption.

19 "Locally grown" means a product that was grown or raised in
20 the same county or adjoining county in which the urban
21 agricultural area is located.

22 "Partner organization" means a nonprofit organization that
23 meets standards set forth by Section 501(c)(3) of the Internal
24 Revenue Code and whose mission includes supporting small,
25 beginning, limited resource, or socially-disadvantaged farmers
26 within municipalities.

1 "Poultry" means any domesticated bird intended for human
2 consumption.

3 "Qualifying farmer" means an individual or entity that
4 meets at least one of the following:

5 (1) is a small or medium sized farmer;

6 (2) is a beginning farmer;

7 (3) is a limited resource farmer; or

8 (4) is a socially-disadvantaged farmer.

9 "Small or medium sized farmer", "beginning farmer",
10 "limited resource farmer", and "socially-disadvantaged farmer"
11 have the meanings given to those terms in rules adopted by the
12 Department as provided in Section 205-65 of the Department of
13 Agriculture Law.

14 "Urban agricultural area" means an area defined by a
15 municipality and entirely within that municipality's
16 boundaries within which one or more qualifying farmers are
17 processing, growing, raising, or otherwise producing
18 locally-grown agricultural products.

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.

1 One member of the committee shall be a member of the
2 municipality's board and shall be appointed by the board. The
3 remaining 4 members shall be appointed by the president or
4 mayor of the municipality. The 4 members chosen by the
5 president or mayor shall all be residents of the municipality
6 in which the urban agricultural area is to be located, and at
7 least one of the 4 members shall have experience in or
8 represent an organization associated with sustainable
9 agriculture, urban farming, community gardening, or any of the
10 activities or products authorized by this Division for urban
11 agricultural areas.

12 (b) The members of the committee annually shall elect a
13 chair from among the members. The members shall serve without
14 compensation, but may be reimbursed for actual and necessary
15 expenses incurred in the performance of their official duties.

16 (c) A majority of the members shall constitute a quorum of
17 the committee for the purpose of conducting business and
18 exercising the powers of the committee and for all other
19 purposes. Action may be taken by the committee upon a vote of a
20 majority of the members present.

21 (d) The role of the committee shall be to conduct the
22 activities necessary to advise the corporate authorities of the
23 municipality on the designation, modification, and termination
24 of an urban agricultural area and any other advisory duties as
25 determined by the corporate authorities of the municipality.
26 The role of the committee after the designation of an urban

1 agricultural area shall be review and assessment of an urban
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 or partner organization may submit
7 to the municipal clerk an application to establish an urban
8 agricultural area. The application shall demonstrate or
9 identify:

10 (1) that the applicant is a qualified farmer;

11 (2) the number of jobs to be created, maintained, or
12 supported within the proposed urban agricultural area;

13 (3) the types of products to be produced; and

14 (4) the geographic description of the area that will be
15 included in the urban agricultural area.

16 (b) An urban agricultural area committee shall review and
17 modify the application as necessary before the municipality
18 either approves or denies the request to establish an urban
19 agricultural area.

20 (c) Approval of the urban agricultural area by a
21 municipality shall be reviewed every 5 years after the
22 development of the urban agricultural area. After 25 years, the
23 urban agricultural area shall dissolve. If the municipality
24 finds during its review that the urban agricultural area is not
25 meeting the requirements set out in this Division, the

1 municipality may dissolve the urban agricultural area by
2 ordinance or resolution.

3 (65 ILCS 5/11-15.4-20 new)

4 Sec. 11-15.4-20. Notice and public hearing; urban
5 agricultural area ordinance. Prior to the adoption of an
6 ordinance designating an urban agricultural area, the urban
7 agricultural area committee shall fix a time and place for a
8 public hearing and notify each taxing unit of local government
9 located wholly or partially within the boundaries of the
10 proposed urban agricultural area. The committee shall publish
11 notice of the hearing in a newspaper of general circulation in
12 the area to be affected by the designation at least 20 days
13 prior to the hearing but not more than 30 days prior to the
14 hearing. The notice shall state the time, location, date, and
15 purpose of the hearing. At the public hearing, any interested
16 person or affected taxing unit of local government may file
17 with the committee written objections or comments and may be
18 heard orally in respect to, any issues embodied in the notice.
19 The committee shall hear and consider all objections, comments,
20 and other evidence presented at the hearing. The hearing may be
21 continued to another date without further notice other than a
22 motion to be entered upon the minutes fixing the time and place
23 of the subsequent hearing.

24 Following the conclusion of the public hearing required
25 under this Section, the corporate authorities of the

1 municipality may adopt an ordinance establishing and
2 designating an urban agricultural area.

3 (65 ILCS 5/11-15.4-25 new)

4 Sec. 11-15.4-25. Taxation of property; water rates and
5 charges.

6 (a) If authorized by the ordinance that establishes an
7 urban agricultural area under Section 11-15.4-20, a
8 municipality may provide for the abatement of taxes it levies
9 upon real property located within an urban agricultural area
10 that is used by a qualifying farmer for processing, growing,
11 raising, or otherwise producing agricultural products under
12 item (11) of subsection (a) of Section 18-165 of the Property
13 Tax Code. Parcels of property assessed under Section 10-110 of
14 the Property Tax Code are not eligible for the abatements
15 provided in this subsection; except that if real property
16 assessed under Section 10-110 is reassessed and is subsequently
17 no longer assessed under Section 10-110, that property becomes
18 eligible for the abatements provided for in this Section. Real
19 property located in a redevelopment area created under the Tax
20 Increment Allocation Redevelopment Act and an urban
21 agricultural area created under this Division may be eligible
22 for an abatement under this Section, but only with respect to
23 the initial equalized assessed value of the real property.

24 (b) A municipality may authorize an entity providing water,
25 electricity, or other utilities to an urban agricultural area

1 to allow qualified farmers and partner organizations in the
2 urban agricultural area to: (1) pay wholesale or otherwise
3 reduced rates for service to property within the urban
4 agricultural area that is used for processing, growing,
5 raising, or otherwise producing agricultural products; or (2)
6 pay reduced or waived connection charges for service to
7 property within the urban agricultural area that is used for
8 processing, growing, raising, or otherwise producing
9 agricultural products.

10 (65 ILCS 5/11-15.4-30 new)

11 Sec. 11-15.4-30. Unreasonable restrictions and
12 regulations; special assessments and levies.

13 (a) A municipality may not exercise any of its powers to
14 enact ordinances within an urban agricultural area in a manner
15 that would unreasonably restrict or regulate farming practices
16 in contravention of the purposes of this Act unless the
17 restrictions or regulations bear a direct relationship to
18 public health or safety.

19 (b) A unit of local government providing public services,
20 such as sewer, water, lights, or non-farm drainage, may not
21 impose benefit assessments or special ad valorem levies on land
22 within an urban agricultural area on the basis of frontage,
23 acreage, or value unless the benefit assessments or special ad
24 valorem levies were imposed prior to the formation of the urban
25 agricultural area or unless the service is provided to the

1 landowner on the same basis as others having the service.

2 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

3 Sec. 11-74.4-3. Definitions. The following terms, wherever
4 used or referred to in this Division 74.4 shall have the
5 following respective meanings, unless in any case a different
6 meaning clearly appears from the context.

7 (a) For any redevelopment project area that has been
8 designated pursuant to this Section by an ordinance adopted
9 prior to November 1, 1999 (the effective date of Public Act
10 91-478), "blighted area" shall have the meaning set forth in
11 this Section prior to that date.

12 On and after November 1, 1999, "blighted area" means any
13 improved or vacant area within the boundaries of a
14 redevelopment project area located within the territorial
15 limits of the municipality where:

16 (1) If improved, industrial, commercial, and
17 residential buildings or improvements are detrimental to
18 the public safety, health, or welfare because of a
19 combination of 5 or more of the following factors, each of
20 which is (i) present, with that presence documented, to a
21 meaningful extent so that a municipality may reasonably
22 find that the factor is clearly present within the intent
23 of the Act and (ii) reasonably distributed throughout the
24 improved part of the redevelopment project area:

25 (A) Dilapidation. An advanced state of disrepair

1 or neglect of necessary repairs to the primary
2 structural components of buildings or improvements in
3 such a combination that a documented building
4 condition analysis determines that major repair is
5 required or the defects are so serious and so extensive
6 that the buildings must be removed.

7 (B) Obsolescence. The condition or process of
8 falling into disuse. Structures have become ill-suited
9 for the original use.

10 (C) Deterioration. With respect to buildings,
11 defects including, but not limited to, major defects in
12 the secondary building components such as doors,
13 windows, porches, gutters and downspouts, and fascia.
14 With respect to surface improvements, that the
15 condition of roadways, alleys, curbs, gutters,
16 sidewalks, off-street parking, and surface storage
17 areas evidence deterioration, including, but not
18 limited to, surface cracking, crumbling, potholes,
19 depressions, loose paving material, and weeds
20 protruding through paved surfaces.

21 (D) Presence of structures below minimum code
22 standards. All structures that do not meet the
23 standards of zoning, subdivision, building, fire, and
24 other governmental codes applicable to property, but
25 not including housing and property maintenance codes.

26 (E) Illegal use of individual structures. The use

1 of structures in violation of applicable federal,
2 State, or local laws, exclusive of those applicable to
3 the presence of structures below minimum code
4 standards.

5 (F) Excessive vacancies. The presence of buildings
6 that are unoccupied or under-utilized and that
7 represent an adverse influence on the area because of
8 the frequency, extent, or duration of the vacancies.

9 (G) Lack of ventilation, light, or sanitary
10 facilities. The absence of adequate ventilation for
11 light or air circulation in spaces or rooms without
12 windows, or that require the removal of dust, odor,
13 gas, smoke, or other noxious airborne materials.
14 Inadequate natural light and ventilation means the
15 absence of skylights or windows for interior spaces or
16 rooms and improper window sizes and amounts by room
17 area to window area ratios. Inadequate sanitary
18 facilities refers to the absence or inadequacy of
19 garbage storage and enclosure, bathroom facilities,
20 hot water and kitchens, and structural inadequacies
21 preventing ingress and egress to and from all rooms and
22 units within a building.

23 (H) Inadequate utilities. Underground and overhead
24 utilities such as storm sewers and storm drainage,
25 sanitary sewers, water lines, and gas, telephone, and
26 electrical services that are shown to be inadequate.

1 Inadequate utilities are those that are: (i) of
2 insufficient capacity to serve the uses in the
3 redevelopment project area, (ii) deteriorated,
4 antiquated, obsolete, or in disrepair, or (iii)
5 lacking within the redevelopment project area.

6 (I) Excessive land coverage and overcrowding of
7 structures and community facilities. The
8 over-intensive use of property and the crowding of
9 buildings and accessory facilities onto a site.
10 Examples of problem conditions warranting the
11 designation of an area as one exhibiting excessive land
12 coverage are: (i) the presence of buildings either
13 improperly situated on parcels or located on parcels of
14 inadequate size and shape in relation to present-day
15 standards of development for health and safety and (ii)
16 the presence of multiple buildings on a single parcel.
17 For there to be a finding of excessive land coverage,
18 these parcels must exhibit one or more of the following
19 conditions: insufficient provision for light and air
20 within or around buildings, increased threat of spread
21 of fire due to the close proximity of buildings, lack
22 of adequate or proper access to a public right-of-way,
23 lack of reasonably required off-street parking, or
24 inadequate provision for loading and service.

25 (J) Deleterious land use or layout. The existence
26 of incompatible land-use relationships, buildings

1 occupied by inappropriate mixed-uses, or uses
2 considered to be noxious, offensive, or unsuitable for
3 the surrounding area.

4 (K) Environmental clean-up. The proposed
5 redevelopment project area has incurred Illinois
6 Environmental Protection Agency or United States
7 Environmental Protection Agency remediation costs for,
8 or a study conducted by an independent consultant
9 recognized as having expertise in environmental
10 remediation has determined a need for, the clean-up of
11 hazardous waste, hazardous substances, or underground
12 storage tanks required by State or federal law,
13 provided that the remediation costs constitute a
14 material impediment to the development or
15 redevelopment of the redevelopment project area.

16 (L) Lack of community planning. The proposed
17 redevelopment project area was developed prior to or
18 without the benefit or guidance of a community plan.
19 This means that the development occurred prior to the
20 adoption by the municipality of a comprehensive or
21 other community plan or that the plan was not followed
22 at the time of the area's development. This factor must
23 be documented by evidence of adverse or incompatible
24 land-use relationships, inadequate street layout,
25 improper subdivision, parcels of inadequate shape and
26 size to meet contemporary development standards, or

1 other evidence demonstrating an absence of effective
2 community planning.

3 (M) The total equalized assessed value of the
4 proposed redevelopment project area has declined for 3
5 of the last 5 calendar years prior to the year in which
6 the redevelopment project area is designated or is
7 increasing at an annual rate that is less than the
8 balance of the municipality for 3 of the last 5
9 calendar years for which information is available or is
10 increasing at an annual rate that is less than the
11 Consumer Price Index for All Urban Consumers published
12 by the United States Department of Labor or successor
13 agency for 3 of the last 5 calendar years prior to the
14 year in which the redevelopment project area is
15 designated.

16 (2) If vacant, the sound growth of the redevelopment
17 project area is impaired by a combination of 2 or more of
18 the following factors, each of which is (i) present, with
19 that presence documented, to a meaningful extent so that a
20 municipality may reasonably find that the factor is clearly
21 present within the intent of the Act and (ii) reasonably
22 distributed throughout the vacant part of the
23 redevelopment project area to which it pertains:

24 (A) Obsolete platting of vacant land that results
25 in parcels of limited or narrow size or configurations
26 of parcels of irregular size or shape that would be

1 difficult to develop on a planned basis and in a manner
2 compatible with contemporary standards and
3 requirements, or platting that failed to create
4 rights-of-ways for streets or alleys or that created
5 inadequate right-of-way widths for streets, alleys, or
6 other public rights-of-way or that omitted easements
7 for public utilities.

8 (B) Diversity of ownership of parcels of vacant
9 land sufficient in number to retard or impede the
10 ability to assemble the land for development.

11 (C) Tax and special assessment delinquencies exist
12 or the property has been the subject of tax sales under
13 the Property Tax Code within the last 5 years.

14 (D) Deterioration of structures or site
15 improvements in neighboring areas adjacent to the
16 vacant land.

17 (E) The area has incurred Illinois Environmental
18 Protection Agency or United States Environmental
19 Protection Agency remediation costs for, or a study
20 conducted by an independent consultant recognized as
21 having expertise in environmental remediation has
22 determined a need for, the clean-up of hazardous waste,
23 hazardous substances, or underground storage tanks
24 required by State or federal law, provided that the
25 remediation costs constitute a material impediment to
26 the development or redevelopment of the redevelopment

1 project area.

2 (F) The total equalized assessed value of the
3 proposed redevelopment project area has declined for 3
4 of the last 5 calendar years prior to the year in which
5 the redevelopment project area is designated or is
6 increasing at an annual rate that is less than the
7 balance of the municipality for 3 of the last 5
8 calendar years for which information is available or is
9 increasing at an annual rate that is less than the
10 Consumer Price Index for All Urban Consumers published
11 by the United States Department of Labor or successor
12 agency for 3 of the last 5 calendar years prior to the
13 year in which the redevelopment project area is
14 designated.

15 (3) If vacant, the sound growth of the redevelopment
16 project area is impaired by one of the following factors
17 that (i) is present, with that presence documented, to a
18 meaningful extent so that a municipality may reasonably
19 find that the factor is clearly present within the intent
20 of the Act and (ii) is reasonably distributed throughout
21 the vacant part of the redevelopment project area to which
22 it pertains:

23 (A) The area consists of one or more unused
24 quarries, mines, or strip mine ponds.

25 (B) The area consists of unused rail yards, rail
26 tracks, or railroad rights-of-way.

1 (C) The area, prior to its designation, is subject
2 to (i) chronic flooding that adversely impacts on real
3 property in the area as certified by a registered
4 professional engineer or appropriate regulatory agency
5 or (ii) surface water that discharges from all or a
6 part of the area and contributes to flooding within the
7 same watershed, but only if the redevelopment project
8 provides for facilities or improvements to contribute
9 to the alleviation of all or part of the flooding.

10 (D) The area consists of an unused or illegal
11 disposal site containing earth, stone, building
12 debris, or similar materials that were removed from
13 construction, demolition, excavation, or dredge sites.

14 (E) Prior to November 1, 1999, the area is not less
15 than 50 nor more than 100 acres and 75% of which is
16 vacant (notwithstanding that the area has been used for
17 commercial agricultural purposes within 5 years prior
18 to the designation of the redevelopment project area),
19 and the area meets at least one of the factors itemized
20 in paragraph (1) of this subsection, the area has been
21 designated as a town or village center by ordinance or
22 comprehensive plan adopted prior to January 1, 1982,
23 and the area has not been developed for that designated
24 purpose.

25 (F) The area qualified as a blighted improved area
26 immediately prior to becoming vacant, unless there has

1 been substantial private investment in the immediately
2 surrounding area.

3 (b) For any redevelopment project area that has been
4 designated pursuant to this Section by an ordinance adopted
5 prior to November 1, 1999 (the effective date of Public Act
6 91-478), "conservation area" shall have the meaning set forth
7 in this Section prior to that date.

8 On and after November 1, 1999, "conservation area" means
9 any improved area within the boundaries of a redevelopment
10 project area located within the territorial limits of the
11 municipality in which 50% or more of the structures in the area
12 have an age of 35 years or more. Such an area is not yet a
13 blighted area but because of a combination of 3 or more of the
14 following factors is detrimental to the public safety, health,
15 morals or welfare and such an area may become a blighted area:

16 (1) Dilapidation. An advanced state of disrepair or
17 neglect of necessary repairs to the primary structural
18 components of buildings or improvements in such a
19 combination that a documented building condition analysis
20 determines that major repair is required or the defects are
21 so serious and so extensive that the buildings must be
22 removed.

23 (2) Obsolescence. The condition or process of falling
24 into disuse. Structures have become ill-suited for the
25 original use.

26 (3) Deterioration. With respect to buildings, defects

1 including, but not limited to, major defects in the
2 secondary building components such as doors, windows,
3 porches, gutters and downspouts, and fascia. With respect
4 to surface improvements, that the condition of roadways,
5 alleys, curbs, gutters, sidewalks, off-street parking, and
6 surface storage areas evidence deterioration, including,
7 but not limited to, surface cracking, crumbling, potholes,
8 depressions, loose paving material, and weeds protruding
9 through paved surfaces.

10 (4) Presence of structures below minimum code
11 standards. All structures that do not meet the standards of
12 zoning, subdivision, building, fire, and other
13 governmental codes applicable to property, but not
14 including housing and property maintenance codes.

15 (5) Illegal use of individual structures. The use of
16 structures in violation of applicable federal, State, or
17 local laws, exclusive of those applicable to the presence
18 of structures below minimum code standards.

19 (6) Excessive vacancies. The presence of buildings
20 that are unoccupied or under-utilized and that represent an
21 adverse influence on the area because of the frequency,
22 extent, or duration of the vacancies.

23 (7) Lack of ventilation, light, or sanitary
24 facilities. The absence of adequate ventilation for light
25 or air circulation in spaces or rooms without windows, or
26 that require the removal of dust, odor, gas, smoke, or

1 other noxious airborne materials. Inadequate natural light
2 and ventilation means the absence or inadequacy of
3 skylights or windows for interior spaces or rooms and
4 improper window sizes and amounts by room area to window
5 area ratios. Inadequate sanitary facilities refers to the
6 absence or inadequacy of garbage storage and enclosure,
7 bathroom facilities, hot water and kitchens, and
8 structural inadequacies preventing ingress and egress to
9 and from all rooms and units within a building.

10 (8) Inadequate utilities. Underground and overhead
11 utilities such as storm sewers and storm drainage, sanitary
12 sewers, water lines, and gas, telephone, and electrical
13 services that are shown to be inadequate. Inadequate
14 utilities are those that are: (i) of insufficient capacity
15 to serve the uses in the redevelopment project area, (ii)
16 deteriorated, antiquated, obsolete, or in disrepair, or
17 (iii) lacking within the redevelopment project area.

18 (9) Excessive land coverage and overcrowding of
19 structures and community facilities. The over-intensive
20 use of property and the crowding of buildings and accessory
21 facilities onto a site. Examples of problem conditions
22 warranting the designation of an area as one exhibiting
23 excessive land coverage are: the presence of buildings
24 either improperly situated on parcels or located on parcels
25 of inadequate size and shape in relation to present-day
26 standards of development for health and safety and the

1 presence of multiple buildings on a single parcel. For
2 there to be a finding of excessive land coverage, these
3 parcels must exhibit one or more of the following
4 conditions: insufficient provision for light and air
5 within or around buildings, increased threat of spread of
6 fire due to the close proximity of buildings, lack of
7 adequate or proper access to a public right-of-way, lack of
8 reasonably required off-street parking, or inadequate
9 provision for loading and service.

10 (10) Deleterious land use or layout. The existence of
11 incompatible land-use relationships, buildings occupied by
12 inappropriate mixed-uses, or uses considered to be
13 noxious, offensive, or unsuitable for the surrounding
14 area.

15 (11) Lack of community planning. The proposed
16 redevelopment project area was developed prior to or
17 without the benefit or guidance of a community plan. This
18 means that the development occurred prior to the adoption
19 by the municipality of a comprehensive or other community
20 plan or that the plan was not followed at the time of the
21 area's development. This factor must be documented by
22 evidence of adverse or incompatible land-use
23 relationships, inadequate street layout, improper
24 subdivision, parcels of inadequate shape and size to meet
25 contemporary development standards, or other evidence
26 demonstrating an absence of effective community planning.

1 (12) The area has incurred Illinois Environmental
2 Protection Agency or United States Environmental
3 Protection Agency remediation costs for, or a study
4 conducted by an independent consultant recognized as
5 having expertise in environmental remediation has
6 determined a need for, the clean-up of hazardous waste,
7 hazardous substances, or underground storage tanks
8 required by State or federal law, provided that the
9 remediation costs constitute a material impediment to the
10 development or redevelopment of the redevelopment project
11 area.

12 (13) The total equalized assessed value of the proposed
13 redevelopment project area has declined for 3 of the last 5
14 calendar years for which information is available or is
15 increasing at an annual rate that is less than the balance
16 of the municipality for 3 of the last 5 calendar years for
17 which information is available or is increasing at an
18 annual rate that is less than the Consumer Price Index for
19 All Urban Consumers published by the United States
20 Department of Labor or successor agency for 3 of the last 5
21 calendar years for which information is available.

22 (c) "Industrial park" means an area in a blighted or
23 conservation area suitable for use by any manufacturing,
24 industrial, research or transportation enterprise, of
25 facilities to include but not be limited to factories, mills,
26 processing plants, assembly plants, packing plants,

1 fabricating plants, industrial distribution centers,
2 warehouses, repair overhaul or service facilities, freight
3 terminals, research facilities, test facilities or railroad
4 facilities.

5 (d) "Industrial park conservation area" means an area
6 within the boundaries of a redevelopment project area located
7 within the territorial limits of a municipality that is a labor
8 surplus municipality or within 1 1/2 miles of the territorial
9 limits of a municipality that is a labor surplus municipality
10 if the area is annexed to the municipality; which area is zoned
11 as industrial no later than at the time the municipality by
12 ordinance designates the redevelopment project area, and which
13 area includes both vacant land suitable for use as an
14 industrial park and a blighted area or conservation area
15 contiguous to such vacant land.

16 (e) "Labor surplus municipality" means a municipality in
17 which, at any time during the 6 months before the municipality
18 by ordinance designates an industrial park conservation area,
19 the unemployment rate was over 6% and was also 100% or more of
20 the national average unemployment rate for that same time as
21 published in the United States Department of Labor Bureau of
22 Labor Statistics publication entitled "The Employment
23 Situation" or its successor publication. For the purpose of
24 this subsection, if unemployment rate statistics for the
25 municipality are not available, the unemployment rate in the
26 municipality shall be deemed to be the same as the unemployment

1 rate in the principal county in which the municipality is
2 located.

3 (f) "Municipality" shall mean a city, village,
4 incorporated town, or a township that is located in the
5 unincorporated portion of a county with 3 million or more
6 inhabitants, if the county adopted an ordinance that approved
7 the township's redevelopment plan.

8 (g) "Initial Sales Tax Amounts" means the amount of taxes
9 paid under the Retailers' Occupation Tax Act, Use Tax Act,
10 Service Use Tax Act, the Service Occupation Tax Act, the
11 Municipal Retailers' Occupation Tax Act, and the Municipal
12 Service Occupation Tax Act by retailers and servicemen on
13 transactions at places located in a State Sales Tax Boundary
14 during the calendar year 1985.

15 (g-1) "Revised Initial Sales Tax Amounts" means the amount
16 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
17 Act, Service Use Tax Act, the Service Occupation Tax Act, the
18 Municipal Retailers' Occupation Tax Act, and the Municipal
19 Service Occupation Tax Act by retailers and servicemen on
20 transactions at places located within the State Sales Tax
21 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

22 (h) "Municipal Sales Tax Increment" means an amount equal
23 to the increase in the aggregate amount of taxes paid to a
24 municipality from the Local Government Tax Fund arising from
25 sales by retailers and servicemen within the redevelopment
26 project area or State Sales Tax Boundary, as the case may be,

1 for as long as the redevelopment project area or State Sales
2 Tax Boundary, as the case may be, exist over and above the
3 aggregate amount of taxes as certified by the Illinois
4 Department of Revenue and paid under the Municipal Retailers'
5 Occupation Tax Act and the Municipal Service Occupation Tax Act
6 by retailers and servicemen, on transactions at places of
7 business located in the redevelopment project area or State
8 Sales Tax Boundary, as the case may be, during the base year
9 which shall be the calendar year immediately prior to the year
10 in which the municipality adopted tax increment allocation
11 financing. For purposes of computing the aggregate amount of
12 such taxes for base years occurring prior to 1985, the
13 Department of Revenue shall determine the Initial Sales Tax
14 Amounts for such taxes and deduct therefrom an amount equal to
15 4% of the aggregate amount of taxes per year for each year the
16 base year is prior to 1985, but not to exceed a total deduction
17 of 12%. The amount so determined shall be known as the
18 "Adjusted Initial Sales Tax Amounts". For purposes of
19 determining the Municipal Sales Tax Increment, the Department
20 of Revenue shall for each period subtract from the amount paid
21 to the municipality from the Local Government Tax Fund arising
22 from sales by retailers and servicemen on transactions located
23 in the redevelopment project area or the State Sales Tax
24 Boundary, as the case may be, the certified Initial Sales Tax
25 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
26 Initial Sales Tax Amounts for the Municipal Retailers'

1 Occupation Tax Act and the Municipal Service Occupation Tax
2 Act. For the State Fiscal Year 1989, this calculation shall be
3 made by utilizing the calendar year 1987 to determine the tax
4 amounts received. For the State Fiscal Year 1990, this
5 calculation shall be made by utilizing the period from January
6 1, 1988, until September 30, 1988, to determine the tax amounts
7 received from retailers and servicemen pursuant to the
8 Municipal Retailers' Occupation Tax and the Municipal Service
9 Occupation Tax Act, which shall have deducted therefrom
10 nine-twelfths of the certified Initial Sales Tax Amounts, the
11 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
12 Tax Amounts as appropriate. For the State Fiscal Year 1991,
13 this calculation shall be made by utilizing the period from
14 October 1, 1988, to June 30, 1989, to determine the tax amounts
15 received from retailers and servicemen pursuant to the
16 Municipal Retailers' Occupation Tax and the Municipal Service
17 Occupation Tax Act which shall have deducted therefrom
18 nine-twelfths of the certified Initial Sales Tax Amounts,
19 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
20 Tax Amounts as appropriate. For every State Fiscal Year
21 thereafter, the applicable period shall be the 12 months
22 beginning July 1 and ending June 30 to determine the tax
23 amounts received which shall have deducted therefrom the
24 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
25 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
26 case may be.

1 (i) "Net State Sales Tax Increment" means the sum of the
2 following: (a) 80% of the first \$100,000 of State Sales Tax
3 Increment annually generated within a State Sales Tax Boundary;
4 (b) 60% of the amount in excess of \$100,000 but not exceeding
5 \$500,000 of State Sales Tax Increment annually generated within
6 a State Sales Tax Boundary; and (c) 40% of all amounts in
7 excess of \$500,000 of State Sales Tax Increment annually
8 generated within a State Sales Tax Boundary. If, however, a
9 municipality established a tax increment financing district in
10 a county with a population in excess of 3,000,000 before
11 January 1, 1986, and the municipality entered into a contract
12 or issued bonds after January 1, 1986, but before December 31,
13 1986, to finance redevelopment project costs within a State
14 Sales Tax Boundary, then the Net State Sales Tax Increment
15 means, for the fiscal years beginning July 1, 1990, and July 1,
16 1991, 100% of the State Sales Tax Increment annually generated
17 within a State Sales Tax Boundary; and notwithstanding any
18 other provision of this Act, for those fiscal years the
19 Department of Revenue shall distribute to those municipalities
20 100% of their Net State Sales Tax Increment before any
21 distribution to any other municipality and regardless of
22 whether or not those other municipalities will receive 100% of
23 their Net State Sales Tax Increment. For Fiscal Year 1999, and
24 every year thereafter until the year 2007, for any municipality
25 that has not entered into a contract or has not issued bonds
26 prior to June 1, 1988 to finance redevelopment project costs

1 within a State Sales Tax Boundary, the Net State Sales Tax
2 Increment shall be calculated as follows: By multiplying the
3 Net State Sales Tax Increment by 90% in the State Fiscal Year
4 1999; 80% in the State Fiscal Year 2000; 70% in the State
5 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
6 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%
7 in the State Fiscal Year 2005; 20% in the State Fiscal Year
8 2006; and 10% in the State Fiscal Year 2007. No payment shall
9 be made for State Fiscal Year 2008 and thereafter.

10 Municipalities that issued bonds in connection with a
11 redevelopment project in a redevelopment project area within
12 the State Sales Tax Boundary prior to July 29, 1991, or that
13 entered into contracts in connection with a redevelopment
14 project in a redevelopment project area before June 1, 1988,
15 shall continue to receive their proportional share of the
16 Illinois Tax Increment Fund distribution until the date on
17 which the redevelopment project is completed or terminated. If,
18 however, a municipality that issued bonds in connection with a
19 redevelopment project in a redevelopment project area within
20 the State Sales Tax Boundary prior to July 29, 1991 retires the
21 bonds prior to June 30, 2007 or a municipality that entered
22 into contracts in connection with a redevelopment project in a
23 redevelopment project area before June 1, 1988 completes the
24 contracts prior to June 30, 2007, then so long as the
25 redevelopment project is not completed or is not terminated,
26 the Net State Sales Tax Increment shall be calculated,

1 beginning on the date on which the bonds are retired or the
2 contracts are completed, as follows: By multiplying the Net
3 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
4 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
5 2004; 30% in the State Fiscal Year 2005; 20% in the State
6 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
7 payment shall be made for State Fiscal Year 2008 and
8 thereafter. Refunding of any bonds issued prior to July 29,
9 1991, shall not alter the Net State Sales Tax Increment.

10 (j) "State Utility Tax Increment Amount" means an amount
11 equal to the aggregate increase in State electric and gas tax
12 charges imposed on owners and tenants, other than residential
13 customers, of properties located within the redevelopment
14 project area under Section 9-222 of the Public Utilities Act,
15 over and above the aggregate of such charges as certified by
16 the Department of Revenue and paid by owners and tenants, other
17 than residential customers, of properties within the
18 redevelopment project area during the base year, which shall be
19 the calendar year immediately prior to the year of the adoption
20 of the ordinance authorizing tax increment allocation
21 financing.

22 (k) "Net State Utility Tax Increment" means the sum of the
23 following: (a) 80% of the first \$100,000 of State Utility Tax
24 Increment annually generated by a redevelopment project area;
25 (b) 60% of the amount in excess of \$100,000 but not exceeding
26 \$500,000 of the State Utility Tax Increment annually generated

1 by a redevelopment project area; and (c) 40% of all amounts in
2 excess of \$500,000 of State Utility Tax Increment annually
3 generated by a redevelopment project area. For the State Fiscal
4 Year 1999, and every year thereafter until the year 2007, for
5 any municipality that has not entered into a contract or has
6 not issued bonds prior to June 1, 1988 to finance redevelopment
7 project costs within a redevelopment project area, the Net
8 State Utility Tax Increment shall be calculated as follows: By
9 multiplying the Net State Utility Tax Increment by 90% in the
10 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%
11 in the State Fiscal Year 2001; 60% in the State Fiscal Year
12 2002; 50% in the State Fiscal Year 2003; 40% in the State
13 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the
14 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.
15 No payment shall be made for the State Fiscal Year 2008 and
16 thereafter.

17 Municipalities that issue bonds in connection with the
18 redevelopment project during the period from June 1, 1988 until
19 3 years after the effective date of this Amendatory Act of 1988
20 shall receive the Net State Utility Tax Increment, subject to
21 appropriation, for 15 State Fiscal Years after the issuance of
22 such bonds. For the 16th through the 20th State Fiscal Years
23 after issuance of the bonds, the Net State Utility Tax
24 Increment shall be calculated as follows: By multiplying the
25 Net State Utility Tax Increment by 90% in year 16; 80% in year
26 17; 70% in year 18; 60% in year 19; and 50% in year 20.

1 Refunding of any bonds issued prior to June 1, 1988, shall not
2 alter the revised Net State Utility Tax Increment payments set
3 forth above.

4 (l) "Obligations" mean bonds, loans, debentures, notes,
5 special certificates or other evidence of indebtedness issued
6 by the municipality to carry out a redevelopment project or to
7 refund outstanding obligations.

8 (m) "Payment in lieu of taxes" means those estimated tax
9 revenues from real property in a redevelopment project area
10 derived from real property that has been acquired by a
11 municipality which according to the redevelopment project or
12 plan is to be used for a private use which taxing districts
13 would have received had a municipality not acquired the real
14 property and adopted tax increment allocation financing and
15 which would result from levies made after the time of the
16 adoption of tax increment allocation financing to the time the
17 current equalized value of real property in the redevelopment
18 project area exceeds the total initial equalized value of real
19 property in said area.

20 (n) "Redevelopment plan" means the comprehensive program
21 of the municipality for development or redevelopment intended
22 by the payment of redevelopment project costs to reduce or
23 eliminate those conditions the existence of which qualified the
24 redevelopment project area as a "blighted area" or
25 "conservation area" or combination thereof or "industrial park
26 conservation area," and thereby to enhance the tax bases of the

1 taxing districts which extend into the redevelopment project
2 area, provided that, with respect to redevelopment project
3 areas described in subsections (p-1) and (p-2), "redevelopment
4 plan" means the comprehensive program of the affected
5 municipality for the development of qualifying transit
6 facilities. On and after November 1, 1999 (the effective date
7 of Public Act 91-478), no redevelopment plan may be approved or
8 amended that includes the development of vacant land (i) with a
9 golf course and related clubhouse and other facilities or (ii)
10 designated by federal, State, county, or municipal government
11 as public land for outdoor recreational activities or for
12 nature preserves and used for that purpose within 5 years prior
13 to the adoption of the redevelopment plan. For the purpose of
14 this subsection, "recreational activities" is limited to mean
15 camping and hunting. Each redevelopment plan shall set forth in
16 writing the program to be undertaken to accomplish the
17 objectives and shall include but not be limited to:

18 (A) an itemized list of estimated redevelopment
19 project costs;

20 (B) evidence indicating that the redevelopment project
21 area on the whole has not been subject to growth and
22 development through investment by private enterprise,
23 provided that such evidence shall not be required for any
24 redevelopment project area located within a transit
25 facility improvement area established pursuant to Section
26 11-74.4-3.3;

1 (C) an assessment of any financial impact of the
2 redevelopment project area on or any increased demand for
3 services from any taxing district affected by the plan and
4 any program to address such financial impact or increased
5 demand;

6 (D) the sources of funds to pay costs;

7 (E) the nature and term of the obligations to be
8 issued;

9 (F) the most recent equalized assessed valuation of the
10 redevelopment project area;

11 (G) an estimate as to the equalized assessed valuation
12 after redevelopment and the general land uses to apply in
13 the redevelopment project area;

14 (H) a commitment to fair employment practices and an
15 affirmative action plan;

16 (I) if it concerns an industrial park conservation
17 area, the plan shall also include a general description of
18 any proposed developer, user and tenant of any property, a
19 description of the type, structure and general character of
20 the facilities to be developed, a description of the type,
21 class and number of new employees to be employed in the
22 operation of the facilities to be developed; and

23 (J) if property is to be annexed to the municipality,
24 the plan shall include the terms of the annexation
25 agreement.

26 The provisions of items (B) and (C) of this subsection (n)

1 shall not apply to a municipality that before March 14, 1994
2 (the effective date of Public Act 88-537) had fixed, either by
3 its corporate authorities or by a commission designated under
4 subsection (k) of Section 11-74.4-4, a time and place for a
5 public hearing as required by subsection (a) of Section
6 11-74.4-5. No redevelopment plan shall be adopted unless a
7 municipality complies with all of the following requirements:

8 (1) The municipality finds that the redevelopment
9 project area on the whole has not been subject to growth
10 and development through investment by private enterprise
11 and would not reasonably be anticipated to be developed
12 without the adoption of the redevelopment plan, provided,
13 however, that such a finding shall not be required with
14 respect to any redevelopment project area located within a
15 transit facility improvement area established pursuant to
16 Section 11-74.4-3.3.

17 (2) The municipality finds that the redevelopment plan
18 and project conform to the comprehensive plan for the
19 development of the municipality as a whole, or, for
20 municipalities with a population of 100,000 or more,
21 regardless of when the redevelopment plan and project was
22 adopted, the redevelopment plan and project either: (i)
23 conforms to the strategic economic development or
24 redevelopment plan issued by the designated planning
25 authority of the municipality, or (ii) includes land uses
26 that have been approved by the planning commission of the

1 municipality.

2 (3) The redevelopment plan establishes the estimated
3 dates of completion of the redevelopment project and
4 retirement of obligations issued to finance redevelopment
5 project costs. Those dates may not be later than the dates
6 set forth under Section 11-74.4-3.5.

7 A municipality may by municipal ordinance amend an
8 existing redevelopment plan to conform to this paragraph
9 (3) as amended by Public Act 91-478, which municipal
10 ordinance may be adopted without further hearing or notice
11 and without complying with the procedures provided in this
12 Act pertaining to an amendment to or the initial approval
13 of a redevelopment plan and project and designation of a
14 redevelopment project area.

15 (3.5) The municipality finds, in the case of an
16 industrial park conservation area, also that the
17 municipality is a labor surplus municipality and that the
18 implementation of the redevelopment plan will reduce
19 unemployment, create new jobs and by the provision of new
20 facilities enhance the tax base of the taxing districts
21 that extend into the redevelopment project area.

22 (4) If any incremental revenues are being utilized
23 under Section 8(a)(1) or 8(a)(2) of this Act in
24 redevelopment project areas approved by ordinance after
25 January 1, 1986, the municipality finds: (a) that the
26 redevelopment project area would not reasonably be

1 developed without the use of such incremental revenues, and
2 (b) that such incremental revenues will be exclusively
3 utilized for the development of the redevelopment project
4 area.

5 (5) If: (a) the redevelopment plan will not result in
6 displacement of residents from 10 or more inhabited
7 residential units, and the municipality certifies in the
8 plan that such displacement will not result from the plan;
9 or (b) the redevelopment plan is for a redevelopment
10 project area located within a transit facility improvement
11 area established pursuant to Section 11-74.4-3.3, and the
12 applicable project is subject to the process for evaluation
13 of environmental effects under the National Environmental
14 Policy Act of 1969, 42 U.S.C. 4321 et seq., then a housing
15 impact study need not be performed. If, however, the
16 redevelopment plan would result in the displacement of
17 residents from 10 or more inhabited residential units, or
18 if the redevelopment project area contains 75 or more
19 inhabited residential units and no certification is made,
20 then the municipality shall prepare, as part of the
21 separate feasibility report required by subsection (a) of
22 Section 11-74.4-5, a housing impact study.

23 Part I of the housing impact study shall include (i)
24 data as to whether the residential units are single family
25 or multi-family units, (ii) the number and type of rooms
26 within the units, if that information is available, (iii)

1 whether the units are inhabited or uninhabited, as
2 determined not less than 45 days before the date that the
3 ordinance or resolution required by subsection (a) of
4 Section 11-74.4-5 is passed, and (iv) data as to the racial
5 and ethnic composition of the residents in the inhabited
6 residential units. The data requirement as to the racial
7 and ethnic composition of the residents in the inhabited
8 residential units shall be deemed to be fully satisfied by
9 data from the most recent federal census.

10 Part II of the housing impact study shall identify the
11 inhabited residential units in the proposed redevelopment
12 project area that are to be or may be removed. If inhabited
13 residential units are to be removed, then the housing
14 impact study shall identify (i) the number and location of
15 those units that will or may be removed, (ii) the
16 municipality's plans for relocation assistance for those
17 residents in the proposed redevelopment project area whose
18 residences are to be removed, (iii) the availability of
19 replacement housing for those residents whose residences
20 are to be removed, and shall identify the type, location,
21 and cost of the housing, and (iv) the type and extent of
22 relocation assistance to be provided.

23 (6) On and after November 1, 1999, the housing impact
24 study required by paragraph (5) shall be incorporated in
25 the redevelopment plan for the redevelopment project area.

26 (7) On and after November 1, 1999, no redevelopment

1 plan shall be adopted, nor an existing plan amended, nor
2 shall residential housing that is occupied by households of
3 low-income and very low-income persons in currently
4 existing redevelopment project areas be removed after
5 November 1, 1999 unless the redevelopment plan provides,
6 with respect to inhabited housing units that are to be
7 removed for households of low-income and very low-income
8 persons, affordable housing and relocation assistance not
9 less than that which would be provided under the federal
10 Uniform Relocation Assistance and Real Property
11 Acquisition Policies Act of 1970 and the regulations under
12 that Act, including the eligibility criteria. Affordable
13 housing may be either existing or newly constructed
14 housing. For purposes of this paragraph (7), "low-income
15 households", "very low-income households", and "affordable
16 housing" have the meanings set forth in the Illinois
17 Affordable Housing Act. The municipality shall make a good
18 faith effort to ensure that this affordable housing is
19 located in or near the redevelopment project area within
20 the municipality.

21 (8) On and after November 1, 1999, if, after the
22 adoption of the redevelopment plan for the redevelopment
23 project area, any municipality desires to amend its
24 redevelopment plan to remove more inhabited residential
25 units than specified in its original redevelopment plan,
26 that change shall be made in accordance with the procedures

1 in subsection (c) of Section 11-74.4-5.

2 (9) For redevelopment project areas designated prior
3 to November 1, 1999, the redevelopment plan may be amended
4 without further joint review board meeting or hearing,
5 provided that the municipality shall give notice of any
6 such changes by mail to each affected taxing district and
7 registrant on the interested party registry, to authorize
8 the municipality to expend tax increment revenues for
9 redevelopment project costs defined by paragraphs (5) and
10 (7.5), subparagraphs (E) and (F) of paragraph (11), and
11 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so
12 long as the changes do not increase the total estimated
13 redevelopment project costs set out in the redevelopment
14 plan by more than 5% after adjustment for inflation from
15 the date the plan was adopted.

16 (o) "Redevelopment project" means any public and private
17 development project in furtherance of the objectives of a
18 redevelopment plan. On and after November 1, 1999 (the
19 effective date of Public Act 91-478), no redevelopment plan may
20 be approved or amended that includes the development of vacant
21 land (i) with a golf course and related clubhouse and other
22 facilities or (ii) designated by federal, State, county, or
23 municipal government as public land for outdoor recreational
24 activities or for nature preserves and used for that purpose
25 within 5 years prior to the adoption of the redevelopment plan.
26 For the purpose of this subsection, "recreational activities"

1 is limited to mean camping and hunting.

2 (p) "Redevelopment project area" means an area designated
3 by the municipality, which is not less in the aggregate than 1
4 1/2 acres and in respect to which the municipality has made a
5 finding that there exist conditions which cause the area to be
6 classified as an industrial park conservation area or a
7 blighted area or a conservation area, or a combination of both
8 blighted areas and conservation areas.

9 (p-1) Notwithstanding any provision of this Act to the
10 contrary, on and after August 25, 2009 (the effective date of
11 Public Act 96-680), a redevelopment project area may include
12 areas within a one-half mile radius of an existing or proposed
13 Regional Transportation Authority Suburban Transit Access
14 Route (STAR Line) station without a finding that the area is
15 classified as an industrial park conservation area, a blighted
16 area, a conservation area, or a combination thereof, but only
17 if the municipality receives unanimous consent from the joint
18 review board created to review the proposed redevelopment
19 project area.

20 (p-2) Notwithstanding any provision of this Act to the
21 contrary, on and after the effective date of this amendatory
22 Act of the 99th General Assembly, a redevelopment project area
23 may include areas within a transit facility improvement area
24 that has been established pursuant to Section 11-74.4-3.3
25 without a finding that the area is classified as an industrial
26 park conservation area, a blighted area, a conservation area,

1 or any combination thereof.

2 (q) "Redevelopment project costs", except for
3 redevelopment project areas created pursuant to subsection
4 (p-1) or (p-2), means and includes the sum total of all
5 reasonable or necessary costs incurred or estimated to be
6 incurred, and any such costs incidental to a redevelopment plan
7 and a redevelopment project. Such costs include, without
8 limitation, the following:

9 (1) Costs of studies, surveys, development of plans,
10 and specifications, implementation and administration of
11 the redevelopment plan including but not limited to staff
12 and professional service costs for architectural,
13 engineering, legal, financial, planning or other services,
14 provided however that no charges for professional services
15 may be based on a percentage of the tax increment
16 collected; except that on and after November 1, 1999 (the
17 effective date of Public Act 91-478), no contracts for
18 professional services, excluding architectural and
19 engineering services, may be entered into if the terms of
20 the contract extend beyond a period of 3 years. In
21 addition, "redevelopment project costs" shall not include
22 lobbying expenses. After consultation with the
23 municipality, each tax increment consultant or advisor to a
24 municipality that plans to designate or has designated a
25 redevelopment project area shall inform the municipality
26 in writing of any contracts that the consultant or advisor

1 has entered into with entities or individuals that have
2 received, or are receiving, payments financed by tax
3 increment revenues produced by the redevelopment project
4 area with respect to which the consultant or advisor has
5 performed, or will be performing, service for the
6 municipality. This requirement shall be satisfied by the
7 consultant or advisor before the commencement of services
8 for the municipality and thereafter whenever any other
9 contracts with those individuals or entities are executed
10 by the consultant or advisor;

11 (1.5) After July 1, 1999, annual administrative costs
12 shall not include general overhead or administrative costs
13 of the municipality that would still have been incurred by
14 the municipality if the municipality had not designated a
15 redevelopment project area or approved a redevelopment
16 plan;

17 (1.6) The cost of marketing sites within the
18 redevelopment project area to prospective businesses,
19 developers, and investors;

20 (2) Property assembly costs, including but not limited
21 to acquisition of land and other property, real or
22 personal, or rights or interests therein, demolition of
23 buildings, site preparation, site improvements that serve
24 as an engineered barrier addressing ground level or below
25 ground environmental contamination, including, but not
26 limited to parking lots and other concrete or asphalt

1 barriers, and the clearing and grading of land;

2 (3) Costs of rehabilitation, reconstruction or repair
3 or remodeling of existing public or private buildings,
4 fixtures, and leasehold improvements; and the cost of
5 replacing an existing public building if pursuant to the
6 implementation of a redevelopment project the existing
7 public building is to be demolished to use the site for
8 private investment or devoted to a different use requiring
9 private investment; including any direct or indirect costs
10 relating to Green Globes or LEED certified construction
11 elements or construction elements with an equivalent
12 certification;

13 (4) Costs of the construction of public works or
14 improvements, including any direct or indirect costs
15 relating to Green Globes or LEED certified construction
16 elements or construction elements with an equivalent
17 certification, except that on and after November 1, 1999,
18 redevelopment project costs shall not include the cost of
19 constructing a new municipal public building principally
20 used to provide offices, storage space, or conference
21 facilities or vehicle storage, maintenance, or repair for
22 administrative, public safety, or public works personnel
23 and that is not intended to replace an existing public
24 building as provided under paragraph (3) of subsection (q)
25 of Section 11-74.4-3 unless either (i) the construction of
26 the new municipal building implements a redevelopment

1 project that was included in a redevelopment plan that was
2 adopted by the municipality prior to November 1, 1999, (ii)
3 the municipality makes a reasonable determination in the
4 redevelopment plan, supported by information that provides
5 the basis for that determination, that the new municipal
6 building is required to meet an increase in the need for
7 public safety purposes anticipated to result from the
8 implementation of the redevelopment plan, or (iii) the new
9 municipal public building is for the storage, maintenance,
10 or repair of transit vehicles and is located in a transit
11 facility improvement area that has been established
12 pursuant to Section 11-74.4-3.3;

13 (5) Costs of job training and retraining projects,
14 including the cost of "welfare to work" programs
15 implemented by businesses located within the redevelopment
16 project area;

17 (6) Financing costs, including but not limited to all
18 necessary and incidental expenses related to the issuance
19 of obligations and which may include payment of interest on
20 any obligations issued hereunder including interest
21 accruing during the estimated period of construction of any
22 redevelopment project for which such obligations are
23 issued and for not exceeding 36 months thereafter and
24 including reasonable reserves related thereto;

25 (7) To the extent the municipality by written agreement
26 accepts and approves the same, all or a portion of a taxing

1 district's capital costs resulting from the redevelopment
2 project necessarily incurred or to be incurred within a
3 taxing district in furtherance of the objectives of the
4 redevelopment plan and project;

5 (7.5) For redevelopment project areas designated (or
6 redevelopment project areas amended to add or increase the
7 number of tax-increment-financing assisted housing units)
8 on or after November 1, 1999, an elementary, secondary, or
9 unit school district's increased costs attributable to
10 assisted housing units located within the redevelopment
11 project area for which the developer or redeveloper
12 receives financial assistance through an agreement with
13 the municipality or because the municipality incurs the
14 cost of necessary infrastructure improvements within the
15 boundaries of the assisted housing sites necessary for the
16 completion of that housing as authorized by this Act, and
17 which costs shall be paid by the municipality from the
18 Special Tax Allocation Fund when the tax increment revenue
19 is received as a result of the assisted housing units and
20 shall be calculated annually as follows:

21 (A) for foundation districts, excluding any school
22 district in a municipality with a population in excess
23 of 1,000,000, by multiplying the district's increase
24 in attendance resulting from the net increase in new
25 students enrolled in that school district who reside in
26 housing units within the redevelopment project area

1 that have received financial assistance through an
2 agreement with the municipality or because the
3 municipality incurs the cost of necessary
4 infrastructure improvements within the boundaries of
5 the housing sites necessary for the completion of that
6 housing as authorized by this Act since the designation
7 of the redevelopment project area by the most recently
8 available per capita tuition cost as defined in Section
9 10-20.12a of the School Code less any increase in
10 general State aid as defined in Section 18-8.05 of the
11 School Code or evidence-based funding as defined in
12 Section 18-8.15 of the School Code attributable to
13 these added new students subject to the following
14 annual limitations:

15 (i) for unit school districts with a district
16 average 1995-96 Per Capita Tuition Charge of less
17 than \$5,900, no more than 25% of the total amount
18 of property tax increment revenue produced by
19 those housing units that have received tax
20 increment finance assistance under this Act;

21 (ii) for elementary school districts with a
22 district average 1995-96 Per Capita Tuition Charge
23 of less than \$5,900, no more than 17% of the total
24 amount of property tax increment revenue produced
25 by those housing units that have received tax
26 increment finance assistance under this Act; and

1 (iii) for secondary school districts with a
2 district average 1995-96 Per Capita Tuition Charge
3 of less than \$5,900, no more than 8% of the total
4 amount of property tax increment revenue produced
5 by those housing units that have received tax
6 increment finance assistance under this Act.

7 (B) For alternate method districts, flat grant
8 districts, and foundation districts with a district
9 average 1995-96 Per Capita Tuition Charge equal to or
10 more than \$5,900, excluding any school district with a
11 population in excess of 1,000,000, by multiplying the
12 district's increase in attendance resulting from the
13 net increase in new students enrolled in that school
14 district who reside in housing units within the
15 redevelopment project area that have received
16 financial assistance through an agreement with the
17 municipality or because the municipality incurs the
18 cost of necessary infrastructure improvements within
19 the boundaries of the housing sites necessary for the
20 completion of that housing as authorized by this Act
21 since the designation of the redevelopment project
22 area by the most recently available per capita tuition
23 cost as defined in Section 10-20.12a of the School Code
24 less any increase in general state aid as defined in
25 Section 18-8.05 of the School Code or evidence-based
26 funding as defined in Section 18-8.15 of the School

1 Code attributable to these added new students subject
2 to the following annual limitations:

3 (i) for unit school districts, no more than 40%
4 of the total amount of property tax increment
5 revenue produced by those housing units that have
6 received tax increment finance assistance under
7 this Act;

8 (ii) for elementary school districts, no more
9 than 27% of the total amount of property tax
10 increment revenue produced by those housing units
11 that have received tax increment finance
12 assistance under this Act; and

13 (iii) for secondary school districts, no more
14 than 13% of the total amount of property tax
15 increment revenue produced by those housing units
16 that have received tax increment finance
17 assistance under this Act.

18 (C) For any school district in a municipality with
19 a population in excess of 1,000,000, the following
20 restrictions shall apply to the reimbursement of
21 increased costs under this paragraph (7.5):

22 (i) no increased costs shall be reimbursed
23 unless the school district certifies that each of
24 the schools affected by the assisted housing
25 project is at or over its student capacity;

26 (ii) the amount reimbursable shall be reduced

1 by the value of any land donated to the school
2 district by the municipality or developer, and by
3 the value of any physical improvements made to the
4 schools by the municipality or developer; and

5 (iii) the amount reimbursed may not affect
6 amounts otherwise obligated by the terms of any
7 bonds, notes, or other funding instruments, or the
8 terms of any redevelopment agreement.

9 Any school district seeking payment under this
10 paragraph (7.5) shall, after July 1 and before
11 September 30 of each year, provide the municipality
12 with reasonable evidence to support its claim for
13 reimbursement before the municipality shall be
14 required to approve or make the payment to the school
15 district. If the school district fails to provide the
16 information during this period in any year, it shall
17 forfeit any claim to reimbursement for that year.
18 School districts may adopt a resolution waiving the
19 right to all or a portion of the reimbursement
20 otherwise required by this paragraph (7.5). By
21 acceptance of this reimbursement the school district
22 waives the right to directly or indirectly set aside,
23 modify, or contest in any manner the establishment of
24 the redevelopment project area or projects;

25 (7.7) For redevelopment project areas designated (or
26 redevelopment project areas amended to add or increase the

1 number of tax-increment-financing assisted housing units)
2 on or after January 1, 2005 (the effective date of Public
3 Act 93-961), a public library district's increased costs
4 attributable to assisted housing units located within the
5 redevelopment project area for which the developer or
6 redeveloper receives financial assistance through an
7 agreement with the municipality or because the
8 municipality incurs the cost of necessary infrastructure
9 improvements within the boundaries of the assisted housing
10 sites necessary for the completion of that housing as
11 authorized by this Act shall be paid to the library
12 district by the municipality from the Special Tax
13 Allocation Fund when the tax increment revenue is received
14 as a result of the assisted housing units. This paragraph
15 (7.7) applies only if (i) the library district is located
16 in a county that is subject to the Property Tax Extension
17 Limitation Law or (ii) the library district is not located
18 in a county that is subject to the Property Tax Extension
19 Limitation Law but the district is prohibited by any other
20 law from increasing its tax levy rate without a prior voter
21 referendum.

22 The amount paid to a library district under this
23 paragraph (7.7) shall be calculated by multiplying (i) the
24 net increase in the number of persons eligible to obtain a
25 library card in that district who reside in housing units
26 within the redevelopment project area that have received

1 financial assistance through an agreement with the
2 municipality or because the municipality incurs the cost of
3 necessary infrastructure improvements within the
4 boundaries of the housing sites necessary for the
5 completion of that housing as authorized by this Act since
6 the designation of the redevelopment project area by (ii)
7 the per-patron cost of providing library services so long
8 as it does not exceed \$120. The per-patron cost shall be
9 the Total Operating Expenditures Per Capita for the library
10 in the previous fiscal year. The municipality may deduct
11 from the amount that it must pay to a library district
12 under this paragraph any amount that it has voluntarily
13 paid to the library district from the tax increment
14 revenue. The amount paid to a library district under this
15 paragraph (7.7) shall be no more than 2% of the amount
16 produced by the assisted housing units and deposited into
17 the Special Tax Allocation Fund.

18 A library district is not eligible for any payment
19 under this paragraph (7.7) unless the library district has
20 experienced an increase in the number of patrons from the
21 municipality that created the tax-increment-financing
22 district since the designation of the redevelopment
23 project area.

24 Any library district seeking payment under this
25 paragraph (7.7) shall, after July 1 and before September 30
26 of each year, provide the municipality with convincing

1 evidence to support its claim for reimbursement before the
2 municipality shall be required to approve or make the
3 payment to the library district. If the library district
4 fails to provide the information during this period in any
5 year, it shall forfeit any claim to reimbursement for that
6 year. Library districts may adopt a resolution waiving the
7 right to all or a portion of the reimbursement otherwise
8 required by this paragraph (7.7). By acceptance of such
9 reimbursement, the library district shall forfeit any
10 right to directly or indirectly set aside, modify, or
11 contest in any manner whatsoever the establishment of the
12 redevelopment project area or projects;

13 (8) Relocation costs to the extent that a municipality
14 determines that relocation costs shall be paid or is
15 required to make payment of relocation costs by federal or
16 State law or in order to satisfy subparagraph (7) of
17 subsection (n);

18 (9) Payment in lieu of taxes;

19 (10) Costs of job training, retraining, advanced
20 vocational education or career education, including but
21 not limited to courses in occupational, semi-technical or
22 technical fields leading directly to employment, incurred
23 by one or more taxing districts, provided that such costs
24 (i) are related to the establishment and maintenance of
25 additional job training, advanced vocational education or
26 career education programs for persons employed or to be

1 employed by employers located in a redevelopment project
2 area; and (ii) when incurred by a taxing district or taxing
3 districts other than the municipality, are set forth in a
4 written agreement by or among the municipality and the
5 taxing district or taxing districts, which agreement
6 describes the program to be undertaken, including but not
7 limited to the number of employees to be trained, a
8 description of the training and services to be provided,
9 the number and type of positions available or to be
10 available, itemized costs of the program and sources of
11 funds to pay for the same, and the term of the agreement.
12 Such costs include, specifically, the payment by community
13 college districts of costs pursuant to Sections 3-37, 3-38,
14 3-40 and 3-40.1 of the Public Community College Act and by
15 school districts of costs pursuant to Sections 10-22.20a
16 and 10-23.3a of the School Code;

17 (11) Interest cost incurred by a redeveloper related to
18 the construction, renovation or rehabilitation of a
19 redevelopment project provided that:

20 (A) such costs are to be paid directly from the
21 special tax allocation fund established pursuant to
22 this Act;

23 (B) such payments in any one year may not exceed
24 30% of the annual interest costs incurred by the
25 redeveloper with regard to the redevelopment project
26 during that year;

1 (C) if there are not sufficient funds available in
2 the special tax allocation fund to make the payment
3 pursuant to this paragraph (11) then the amounts so due
4 shall accrue and be payable when sufficient funds are
5 available in the special tax allocation fund;

6 (D) the total of such interest payments paid
7 pursuant to this Act may not exceed 30% of the total
8 (i) cost paid or incurred by the redeveloper for the
9 redevelopment project plus (ii) redevelopment project
10 costs excluding any property assembly costs and any
11 relocation costs incurred by a municipality pursuant
12 to this Act;

13 (E) the cost limits set forth in subparagraphs (B)
14 and (D) of paragraph (11) shall be modified for the
15 financing of rehabilitated or new housing units for
16 low-income households and very low-income households,
17 as defined in Section 3 of the Illinois Affordable
18 Housing Act. The percentage of 75% shall be substituted
19 for 30% in subparagraphs (B) and (D) of paragraph (11);
20 and

21 (F) instead of the eligible costs provided by
22 subparagraphs (B) and (D) of paragraph (11), as
23 modified by this subparagraph, and notwithstanding any
24 other provisions of this Act to the contrary, the
25 municipality may pay from tax increment revenues up to
26 50% of the cost of construction of new housing units to

1 be occupied by low-income households and very
2 low-income households as defined in Section 3 of the
3 Illinois Affordable Housing Act. The cost of
4 construction of those units may be derived from the
5 proceeds of bonds issued by the municipality under this
6 Act or other constitutional or statutory authority or
7 from other sources of municipal revenue that may be
8 reimbursed from tax increment revenues or the proceeds
9 of bonds issued to finance the construction of that
10 housing.

11 The eligible costs provided under this
12 subparagraph (F) of paragraph (11) shall be an eligible
13 cost for the construction, renovation, and
14 rehabilitation of all low and very low-income housing
15 units, as defined in Section 3 of the Illinois
16 Affordable Housing Act, within the redevelopment
17 project area. If the low and very low-income units are
18 part of a residential redevelopment project that
19 includes units not affordable to low and very
20 low-income households, only the low and very
21 low-income units shall be eligible for benefits under
22 this subparagraph (F) of paragraph (11). The standards
23 for maintaining the occupancy by low-income households
24 and very low-income households, as defined in Section 3
25 of the Illinois Affordable Housing Act, of those units
26 constructed with eligible costs made available under

1 the provisions of this subparagraph (F) of paragraph
2 (11) shall be established by guidelines adopted by the
3 municipality. The responsibility for annually
4 documenting the initial occupancy of the units by
5 low-income households and very low-income households,
6 as defined in Section 3 of the Illinois Affordable
7 Housing Act, shall be that of the then current owner of
8 the property. For ownership units, the guidelines will
9 provide, at a minimum, for a reasonable recapture of
10 funds, or other appropriate methods designed to
11 preserve the original affordability of the ownership
12 units. For rental units, the guidelines will provide,
13 at a minimum, for the affordability of rent to low and
14 very low-income households. As units become available,
15 they shall be rented to income-eligible tenants. The
16 municipality may modify these guidelines from time to
17 time; the guidelines, however, shall be in effect for
18 as long as tax increment revenue is being used to pay
19 for costs associated with the units or for the
20 retirement of bonds issued to finance the units or for
21 the life of the redevelopment project area, whichever
22 is later;

23 (11.5) If the redevelopment project area is located
24 within a municipality with a population of more than
25 100,000, the cost of day care services for children of
26 employees from low-income families working for businesses

1 located within the redevelopment project area and all or a
2 portion of the cost of operation of day care centers
3 established by redevelopment project area businesses to
4 serve employees from low-income families working in
5 businesses located in the redevelopment project area. For
6 the purposes of this paragraph, "low-income families"
7 means families whose annual income does not exceed 80% of
8 the municipal, county, or regional median income, adjusted
9 for family size, as the annual income and municipal,
10 county, or regional median income are determined from time
11 to time by the United States Department of Housing and
12 Urban Development.

13 (12) Costs relating to the development of urban
14 agricultural areas under Division 15.2 of the Illinois
15 Municipal Code.

16 Unless explicitly stated herein the cost of construction of
17 new privately-owned buildings shall not be an eligible
18 redevelopment project cost.

19 After November 1, 1999 (the effective date of Public Act
20 91-478), none of the redevelopment project costs enumerated in
21 this subsection shall be eligible redevelopment project costs
22 if those costs would provide direct financial support to a
23 retail entity initiating operations in the redevelopment
24 project area while terminating operations at another Illinois
25 location within 10 miles of the redevelopment project area but
26 outside the boundaries of the redevelopment project area

1 municipality. For purposes of this paragraph, termination
2 means a closing of a retail operation that is directly related
3 to the opening of the same operation or like retail entity
4 owned or operated by more than 50% of the original ownership in
5 a redevelopment project area, but it does not mean closing an
6 operation for reasons beyond the control of the retail entity,
7 as documented by the retail entity, subject to a reasonable
8 finding by the municipality that the current location contained
9 inadequate space, had become economically obsolete, or was no
10 longer a viable location for the retailer or serviceman.

11 No cost shall be a redevelopment project cost in a
12 redevelopment project area if used to demolish, remove, or
13 substantially modify a historic resource, after August 26, 2008
14 (the effective date of Public Act 95-934), unless no prudent
15 and feasible alternative exists. "Historic resource" for the
16 purpose of this paragraph means (i) a place or structure that
17 is included or eligible for inclusion on the National Register
18 of Historic Places or (ii) a contributing structure in a
19 district on the National Register of Historic Places. This
20 paragraph does not apply to a place or structure for which
21 demolition, removal, or modification is subject to review by
22 the preservation agency of a Certified Local Government
23 designated as such by the National Park Service of the United
24 States Department of the Interior.

25 If a special service area has been established pursuant to
26 the Special Service Area Tax Act or Special Service Area Tax

1 Law, then any tax increment revenues derived from the tax
2 imposed pursuant to the Special Service Area Tax Act or Special
3 Service Area Tax Law may be used within the redevelopment
4 project area for the purposes permitted by that Act or Law as
5 well as the purposes permitted by this Act.

6 (q-1) For redevelopment project areas created pursuant to
7 subsection (p-1), redevelopment project costs are limited to
8 those costs in paragraph (q) that are related to the existing
9 or proposed Regional Transportation Authority Suburban Transit
10 Access Route (STAR Line) station.

11 (q-2) For a redevelopment project area located within a
12 transit facility improvement area established pursuant to
13 Section 11-74.4-3.3, redevelopment project costs means those
14 costs described in subsection (q) that are related to the
15 construction, reconstruction, rehabilitation, remodeling, or
16 repair of any existing or proposed transit facility.

17 (r) "State Sales Tax Boundary" means the redevelopment
18 project area or the amended redevelopment project area
19 boundaries which are determined pursuant to subsection (9) of
20 Section 11-74.4-8a of this Act. The Department of Revenue shall
21 certify pursuant to subsection (9) of Section 11-74.4-8a the
22 appropriate boundaries eligible for the determination of State
23 Sales Tax Increment.

24 (s) "State Sales Tax Increment" means an amount equal to
25 the increase in the aggregate amount of taxes paid by retailers
26 and servicemen, other than retailers and servicemen subject to

1 the Public Utilities Act, on transactions at places of business
2 located within a State Sales Tax Boundary pursuant to the
3 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
4 Tax Act, and the Service Occupation Tax Act, except such
5 portion of such increase that is paid into the State and Local
6 Sales Tax Reform Fund, the Local Government Distributive Fund,
7 the Local Government Tax Fund and the County and Mass Transit
8 District Fund, for as long as State participation exists, over
9 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
10 Tax Amounts or the Revised Initial Sales Tax Amounts for such
11 taxes as certified by the Department of Revenue and paid under
12 those Acts by retailers and servicemen on transactions at
13 places of business located within the State Sales Tax Boundary
14 during the base year which shall be the calendar year
15 immediately prior to the year in which the municipality adopted
16 tax increment allocation financing, less 3.0% of such amounts
17 generated under the Retailers' Occupation Tax Act, Use Tax Act
18 and Service Use Tax Act and the Service Occupation Tax Act,
19 which sum shall be appropriated to the Department of Revenue to
20 cover its costs of administering and enforcing this Section.
21 For purposes of computing the aggregate amount of such taxes
22 for base years occurring prior to 1985, the Department of
23 Revenue shall compute the Initial Sales Tax Amount for such
24 taxes and deduct therefrom an amount equal to 4% of the
25 aggregate amount of taxes per year for each year the base year
26 is prior to 1985, but not to exceed a total deduction of 12%.

1 The amount so determined shall be known as the "Adjusted
2 Initial Sales Tax Amount". For purposes of determining the
3 State Sales Tax Increment the Department of Revenue shall for
4 each period subtract from the tax amounts received from
5 retailers and servicemen on transactions located in the State
6 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
7 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
8 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
9 the Service Use Tax Act and the Service Occupation Tax Act. For
10 the State Fiscal Year 1989 this calculation shall be made by
11 utilizing the calendar year 1987 to determine the tax amounts
12 received. For the State Fiscal Year 1990, this calculation
13 shall be made by utilizing the period from January 1, 1988,
14 until September 30, 1988, to determine the tax amounts received
15 from retailers and servicemen, which shall have deducted
16 therefrom nine-twelfths of the certified Initial Sales Tax
17 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
18 Initial Sales Tax Amounts as appropriate. For the State Fiscal
19 Year 1991, this calculation shall be made by utilizing the
20 period from October 1, 1988, until June 30, 1989, to determine
21 the tax amounts received from retailers and servicemen, which
22 shall have deducted therefrom nine-twelfths of the certified
23 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax
24 Amounts or the Revised Initial Sales Tax Amounts as
25 appropriate. For every State Fiscal Year thereafter, the
26 applicable period shall be the 12 months beginning July 1 and

1 ending on June 30, to determine the tax amounts received which
2 shall have deducted therefrom the certified Initial Sales Tax
3 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
4 Initial Sales Tax Amounts. Municipalities intending to receive
5 a distribution of State Sales Tax Increment must report a list
6 of retailers to the Department of Revenue by October 31, 1988
7 and by July 31, of each year thereafter.

8 (t) "Taxing districts" means counties, townships, cities
9 and incorporated towns and villages, school, road, park,
10 sanitary, mosquito abatement, forest preserve, public health,
11 fire protection, river conservancy, tuberculosis sanitarium
12 and any other municipal corporations or districts with the
13 power to levy taxes.

14 (u) "Taxing districts' capital costs" means those costs of
15 taxing districts for capital improvements that are found by the
16 municipal corporate authorities to be necessary and directly
17 result from the redevelopment project.

18 (v) As used in subsection (a) of Section 11-74.4-3 of this
19 Act, "vacant land" means any parcel or combination of parcels
20 of real property without industrial, commercial, and
21 residential buildings which has not been used for commercial
22 agricultural purposes within 5 years prior to the designation
23 of the redevelopment project area, unless the parcel is
24 included in an industrial park conservation area or the parcel
25 has been subdivided; provided that if the parcel was part of a
26 larger tract that has been divided into 3 or more smaller

1 tracts that were accepted for recording during the period from
2 1950 to 1990, then the parcel shall be deemed to have been
3 subdivided, and all proceedings and actions of the municipality
4 taken in that connection with respect to any previously
5 approved or designated redevelopment project area or amended
6 redevelopment project area are hereby validated and hereby
7 declared to be legally sufficient for all purposes of this Act.
8 For purposes of this Section and only for land subject to the
9 subdivision requirements of the Plat Act, land is subdivided
10 when the original plat of the proposed Redevelopment Project
11 Area or relevant portion thereof has been properly certified,
12 acknowledged, approved, and recorded or filed in accordance
13 with the Plat Act and a preliminary plat, if any, for any
14 subsequent phases of the proposed Redevelopment Project Area or
15 relevant portion thereof has been properly approved and filed
16 in accordance with the applicable ordinance of the
17 municipality.

18 (w) "Annual Total Increment" means the sum of each
19 municipality's annual Net Sales Tax Increment and each
20 municipality's annual Net Utility Tax Increment. The ratio of
21 the Annual Total Increment of each municipality to the Annual
22 Total Increment for all municipalities, as most recently
23 calculated by the Department, shall determine the proportional
24 shares of the Illinois Tax Increment Fund to be distributed to
25 each municipality.

26 (x) "LEED certified" means any certification level of

1 construction elements by a qualified Leadership in Energy and
2 Environmental Design Accredited Professional as determined by
3 the U.S. Green Building Council.

4 (y) "Green Globes certified" means any certification level
5 of construction elements by a qualified Green Globes
6 Professional as determined by the Green Building Initiative.

7 (Source: P.A. 99-792, eff. 8-12-16; 100-201, eff. 8-18-17;
8 100-465, eff. 8-31-17.)