



Sen. Dan Cronin

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1 AMENDMENT TO SENATE BILL 838

2 AMENDMENT NO. _____. Amend Senate Bill 838 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Municipal Code is amended by
5 changing Sections 11-74.4-3 and 11-74.4-7 as follows:

6 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

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

11 (a) For any redevelopment project area that has been
12 designated pursuant to this Section by an ordinance adopted
13 prior to November 1, 1999 (the effective date of Public Act
14 91-478), "blighted area" shall have the meaning set forth in
15 this Section prior to that date.

16 On and after November 1, 1999, "blighted area" means any
17 improved or vacant area within the boundaries of a
18 redevelopment project area located within the territorial
19 limits of the municipality where:

20 (1) If improved, industrial, commercial, and
21 residential buildings or improvements are detrimental to
22 the public safety, health, or welfare because of a
23 combination of 5 or more of the following factors, each of
24 which is (i) present, with that presence documented, to a

1 meaningful extent so that a municipality may reasonably
2 find that the factor is clearly present within the intent
3 of the Act and (ii) reasonably distributed throughout the
4 improved part of the redevelopment project area:

5 (A) Dilapidation. An advanced state of disrepair
6 or neglect of necessary repairs to the primary
7 structural components of buildings or improvements in
8 such a combination that a documented building
9 condition analysis determines that major repair is
10 required or the defects are so serious and so extensive
11 that the buildings must be removed.

12 (B) Obsolescence. The condition or process of
13 falling into disuse. Structures have become ill-suited
14 for the original use.

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

26 (D) Presence of structures below minimum code
27 standards. All structures that do not meet the
28 standards of zoning, subdivision, building, fire, and
29 other governmental codes applicable to property, but
30 not including housing and property maintenance codes.

31 (E) Illegal use of individual structures. The use
32 of structures in violation of applicable federal,
33 State, or local laws, exclusive of those applicable to
34 the presence of structures below minimum code

1 standards.

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

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

20 (H) Inadequate utilities. Underground and overhead
21 utilities such as storm sewers and storm drainage,
22 sanitary sewers, water lines, and gas, telephone, and
23 electrical services that are shown to be inadequate.
24 Inadequate utilities are those that are: (i) of
25 insufficient capacity to serve the uses in the
26 redevelopment project area, (ii) deteriorated,
27 antiquated, obsolete, or in disrepair, or (iii)
28 lacking within the redevelopment project area.

29 (I) Excessive land coverage and overcrowding of
30 structures and community facilities. The
31 over-intensive use of property and the crowding of
32 buildings and accessory facilities onto a site.
33 Examples of problem conditions warranting the
34 designation of an area as one exhibiting excessive land

1 coverage are: (i) the presence of buildings either
2 improperly situated on parcels or located on parcels of
3 inadequate size and shape in relation to present-day
4 standards of development for health and safety and (ii)
5 the presence of multiple buildings on a single parcel.
6 For there to be a finding of excessive land coverage,
7 these parcels must exhibit one or more of the following
8 conditions: insufficient provision for light and air
9 within or around buildings, increased threat of spread
10 of fire due to the close proximity of buildings, lack
11 of adequate or proper access to a public right-of-way,
12 lack of reasonably required off-street parking, or
13 inadequate provision for loading and service.

14 (J) Deleterious land use or layout. The existence
15 of incompatible land-use relationships, buildings
16 occupied by inappropriate mixed-uses, or uses
17 considered to be noxious, offensive, or unsuitable for
18 the surrounding area.

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

31 (L) Lack of community planning. The proposed
32 redevelopment project area was developed prior to or
33 without the benefit or guidance of a community plan.
34 This means that the development occurred prior to the

1 adoption by the municipality of a comprehensive or
2 other community plan or that the plan was not followed
3 at the time of the area's development. This factor must
4 be documented by evidence of adverse or incompatible
5 land-use relationships, inadequate street layout,
6 improper subdivision, parcels of inadequate shape and
7 size to meet contemporary development standards, or
8 other evidence demonstrating an absence of effective
9 community planning.

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

23 (2) If vacant, the sound growth of the redevelopment
24 project area is impaired by a combination of 2 or more of
25 the following factors, each of which is (i) present, with
26 that presence documented, to a meaningful extent so that a
27 municipality may reasonably find that the factor is clearly
28 present within the intent of the Act and (ii) reasonably
29 distributed throughout the vacant part of the
30 redevelopment project area to which it pertains:

31 (A) Obsolete platting of vacant land that results
32 in parcels of limited or narrow size or configurations
33 of parcels of irregular size or shape that would be
34 difficult to develop on a planned basis and in a manner

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

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

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

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

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

27 (F) The total equalized assessed value of the
28 proposed redevelopment project area has declined for 3
29 of the last 5 calendar years prior to the year in which
30 the redevelopment project area is designated or is
31 increasing at an annual rate that is less than the
32 balance of the municipality for 3 of the last 5
33 calendar years for which information is available or is
34 increasing at an annual rate that is less than the

1 Consumer Price Index for All Urban Consumers published
2 by the United States Department of Labor or successor
3 agency for 3 of the last 5 calendar years prior to the
4 year in which the redevelopment project area is
5 designated.

6 (3) If vacant, the sound growth of the redevelopment
7 project area is impaired by one of the following factors
8 that (i) is present, with that presence documented, to a
9 meaningful extent so that a municipality may reasonably
10 find that the factor is clearly present within the intent
11 of the Act and (ii) is reasonably distributed throughout
12 the vacant part of the redevelopment project area to which
13 it pertains:

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

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

18 (C) The area, prior to its designation, is subject
19 to (i) chronic flooding that adversely impacts on real
20 property in the area as certified by a registered
21 professional engineer or appropriate regulatory agency
22 or (ii) surface water that discharges from all or a
23 part of the area and contributes to flooding within the
24 same watershed, but only if the redevelopment project
25 provides for facilities or improvements to contribute
26 to the alleviation of all or part of the flooding.

27 (D) The area consists of an unused or illegal
28 disposal site containing earth, stone, building
29 debris, or similar materials that were removed from
30 construction, demolition, excavation, or dredge sites.

31 (E) Prior to November 1, 1999, the area is not less
32 than 50 nor more than 100 acres and 75% of which is
33 vacant (notwithstanding that the area has been used for
34 commercial agricultural purposes within 5 years prior

1 to the designation of the redevelopment project area),
2 and the area meets at least one of the factors itemized
3 in paragraph (1) of this subsection, the area has been
4 designated as a town or village center by ordinance or
5 comprehensive plan adopted prior to January 1, 1982,
6 and the area has not been developed for that designated
7 purpose.

8 (F) The area qualified as a blighted improved area
9 immediately prior to becoming vacant, unless there has
10 been substantial private investment in the immediately
11 surrounding area.

12 (b) For any redevelopment project area that has been
13 designated pursuant to this Section by an ordinance adopted
14 prior to November 1, 1999 (the effective date of Public Act
15 91-478), "conservation area" shall have the meaning set forth
16 in this Section prior to that date.

17 On and after November 1, 1999, "conservation area" means
18 any improved area within the boundaries of a redevelopment
19 project area located within the territorial limits of the
20 municipality in which 50% or more of the structures in the area
21 have an age of 35 years or more. Such an area is not yet a
22 blighted area but because of a combination of 3 or more of the
23 following factors is detrimental to the public safety, health,
24 morals or welfare and such an area may become a blighted area:

25 (1) Dilapidation. An advanced state of disrepair or
26 neglect of necessary repairs to the primary structural
27 components of buildings or improvements in such a
28 combination that a documented building condition analysis
29 determines that major repair is required or the defects are
30 so serious and so extensive that the buildings must be
31 removed.

32 (2) Obsolescence. The condition or process of falling
33 into disuse. Structures have become ill-suited for the
34 original use.

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

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

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

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

24 (7) Lack of ventilation, light, or sanitary
25 facilities. The absence of adequate ventilation for light
26 or air circulation in spaces or rooms without windows, or
27 that require the removal of dust, odor, gas, smoke, or
28 other noxious airborne materials. Inadequate natural light
29 and ventilation means the absence or inadequacy of
30 skylights or windows for interior spaces or rooms and
31 improper window sizes and amounts by room area to window
32 area ratios. Inadequate sanitary facilities refers to the
33 absence or inadequacy of garbage storage and enclosure,
34 bathroom facilities, hot water and kitchens, and

1 structural inadequacies preventing ingress and egress to
2 and from all rooms and units within a building.

3 (8) Inadequate utilities. Underground and overhead
4 utilities such as storm sewers and storm drainage, sanitary
5 sewers, water lines, and gas, telephone, and electrical
6 services that are shown to be inadequate. Inadequate
7 utilities are those that are: (i) of insufficient capacity
8 to serve the uses in the redevelopment project area, (ii)
9 deteriorated, antiquated, obsolete, or in disrepair, or
10 (iii) lacking within the redevelopment project area.

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

29 (10) Deleterious land use or layout. The existence of
30 incompatible land-use relationships, buildings occupied by
31 inappropriate mixed-uses, or uses considered to be
32 noxious, offensive, or unsuitable for the surrounding
33 area.

34 (11) Lack of community planning. The proposed

1 redevelopment project area was developed prior to or
2 without the benefit or guidance of a community plan. This
3 means that the development occurred prior to the adoption
4 by the municipality of a comprehensive or other community
5 plan or that the plan was not followed at the time of the
6 area's development. This factor must be documented by
7 evidence of adverse or incompatible land-use
8 relationships, inadequate street layout, improper
9 subdivision, parcels of inadequate shape and size to meet
10 contemporary development standards, or other evidence
11 demonstrating an absence of effective community planning.

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

23 (13) The total equalized assessed value of the proposed
24 redevelopment project area has declined for 3 of the last 5
25 calendar years for which information is available or is
26 increasing at an annual rate that is less than the balance
27 of the municipality for 3 of the last 5 calendar years for
28 which information is available or is increasing at an
29 annual rate that is less than the Consumer Price Index for
30 All Urban Consumers published by the United States
31 Department of Labor or successor agency for 3 of the last 5
32 calendar years for which information is available.

33 (c) "Industrial park" means an area in a blighted or
34 conservation area suitable for use by any manufacturing,

1 industrial, research or transportation enterprise, of
2 facilities to include but not be limited to factories, mills,
3 processing plants, assembly plants, packing plants,
4 fabricating plants, industrial distribution centers,
5 warehouses, repair overhaul or service facilities, freight
6 terminals, research facilities, test facilities or railroad
7 facilities.

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

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

32 (f) "Municipality" shall mean a city, village,
33 incorporated town, or a township that is located in the
34 unincorporated portion of a county with 3 million or more

1 inhabitants, if the county adopted an ordinance that approved
2 the township's redevelopment plan.

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

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

17 (h) "Municipal Sales Tax Increment" means an amount equal
18 to the increase in the aggregate amount of taxes paid to a
19 municipality from the Local Government Tax Fund arising from
20 sales by retailers and servicemen within the redevelopment
21 project area or State Sales Tax Boundary, as the case may be,
22 for as long as the redevelopment project area or State Sales
23 Tax Boundary, as the case may be, exist over and above the
24 aggregate amount of taxes as certified by the Illinois
25 Department of Revenue and paid under the Municipal Retailers'
26 Occupation Tax Act and the Municipal Service Occupation Tax Act
27 by retailers and servicemen, on transactions at places of
28 business located in the redevelopment project area or State
29 Sales Tax Boundary, as the case may be, during the base year
30 which shall be the calendar year immediately prior to the year
31 in which the municipality adopted tax increment allocation
32 financing. For purposes of computing the aggregate amount of
33 such taxes for base years occurring prior to 1985, the
34 Department of Revenue shall determine the Initial Sales Tax

1 Amounts for such taxes and deduct therefrom an amount equal to
2 4% of the aggregate amount of taxes per year for each year the
3 base year is prior to 1985, but not to exceed a total deduction
4 of 12%. The amount so determined shall be known as the
5 "Adjusted Initial Sales Tax Amounts". For purposes of
6 determining the Municipal Sales Tax Increment, the Department
7 of Revenue shall for each period subtract from the amount paid
8 to the municipality from the Local Government Tax Fund arising
9 from sales by retailers and servicemen on transactions located
10 in the redevelopment project area or the State Sales Tax
11 Boundary, as the case may be, the certified Initial Sales Tax
12 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
13 Initial Sales Tax Amounts for the Municipal Retailers'
14 Occupation Tax Act and the Municipal Service Occupation Tax
15 Act. For the State Fiscal Year 1989, this calculation shall be
16 made by utilizing the calendar year 1987 to determine the tax
17 amounts received. For the State Fiscal Year 1990, this
18 calculation shall be made by utilizing the period from January
19 1, 1988, until September 30, 1988, to determine the tax amounts
20 received from retailers and servicemen pursuant to the
21 Municipal Retailers' Occupation Tax and the Municipal Service
22 Occupation Tax Act, which shall have deducted therefrom
23 nine-twelfths of the certified Initial Sales Tax Amounts, the
24 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
25 Tax Amounts as appropriate. For the State Fiscal Year 1991,
26 this calculation shall be made by utilizing the period from
27 October 1, 1988, to June 30, 1989, to determine the tax amounts
28 received from retailers and servicemen pursuant to the
29 Municipal Retailers' Occupation Tax and the Municipal Service
30 Occupation Tax Act which shall have deducted therefrom
31 nine-twelfths of the certified Initial Sales Tax Amounts,
32 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
33 Tax Amounts as appropriate. For every State Fiscal Year
34 thereafter, the applicable period shall be the 12 months

1 beginning July 1 and ending June 30 to determine the tax
2 amounts received which shall have deducted therefrom the
3 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
4 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
5 case may be.

6 (i) "Net State Sales Tax Increment" means the sum of the
7 following: (a) 80% of the first \$100,000 of State Sales Tax
8 Increment annually generated within a State Sales Tax Boundary;
9 (b) 60% of the amount in excess of \$100,000 but not exceeding
10 \$500,000 of State Sales Tax Increment annually generated within
11 a State Sales Tax Boundary; and (c) 40% of all amounts in
12 excess of \$500,000 of State Sales Tax Increment annually
13 generated within a State Sales Tax Boundary. If, however, a
14 municipality established a tax increment financing district in
15 a county with a population in excess of 3,000,000 before
16 January 1, 1986, and the municipality entered into a contract
17 or issued bonds after January 1, 1986, but before December 31,
18 1986, to finance redevelopment project costs within a State
19 Sales Tax Boundary, then the Net State Sales Tax Increment
20 means, for the fiscal years beginning July 1, 1990, and July 1,
21 1991, 100% of the State Sales Tax Increment annually generated
22 within a State Sales Tax Boundary; and notwithstanding any
23 other provision of this Act, for those fiscal years the
24 Department of Revenue shall distribute to those municipalities
25 100% of their Net State Sales Tax Increment before any
26 distribution to any other municipality and regardless of
27 whether or not those other municipalities will receive 100% of
28 their Net State Sales Tax Increment. For Fiscal Year 1999, and
29 every year thereafter until the year 2007, for any municipality
30 that has not entered into a contract or has not issued bonds
31 prior to June 1, 1988 to finance redevelopment project costs
32 within a State Sales Tax Boundary, the Net State Sales Tax
33 Increment shall be calculated as follows: By multiplying the
34 Net State Sales Tax Increment by 90% in the State Fiscal Year

1 1999; 80% in the State Fiscal Year 2000; 70% in the State
2 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
3 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%
4 in the State Fiscal Year 2005; 20% in the State Fiscal Year
5 2006; and 10% in the State Fiscal Year 2007. No payment shall
6 be made for State Fiscal Year 2008 and thereafter.

7 Municipalities that issued bonds in connection with a
8 redevelopment project in a redevelopment project area within
9 the State Sales Tax Boundary prior to July 29, 1991, or that
10 entered into contracts in connection with a redevelopment
11 project in a redevelopment project area before June 1, 1988,
12 shall continue to receive their proportional share of the
13 Illinois Tax Increment Fund distribution until the date on
14 which the redevelopment project is completed or terminated. If,
15 however, a municipality that issued bonds in connection with a
16 redevelopment project in a redevelopment project area within
17 the State Sales Tax Boundary prior to July 29, 1991 retires the
18 bonds prior to June 30, 2007 or a municipality that entered
19 into contracts in connection with a redevelopment project in a
20 redevelopment project area before June 1, 1988 completes the
21 contracts prior to June 30, 2007, then so long as the
22 redevelopment project is not completed or is not terminated,
23 the Net State Sales Tax Increment shall be calculated,
24 beginning on the date on which the bonds are retired or the
25 contracts are completed, as follows: By multiplying the Net
26 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
27 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
28 2004; 30% in the State Fiscal Year 2005; 20% in the State
29 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
30 payment shall be made for State Fiscal Year 2008 and
31 thereafter. Refunding of any bonds issued prior to July 29,
32 1991, shall not alter the Net State Sales Tax Increment.

33 (j) "State Utility Tax Increment Amount" means an amount
34 equal to the aggregate increase in State electric and gas tax

1 charges imposed on owners and tenants, other than residential
2 customers, of properties located within the redevelopment
3 project area under Section 9-222 of the Public Utilities Act,
4 over and above the aggregate of such charges as certified by
5 the Department of Revenue and paid by owners and tenants, other
6 than residential customers, of properties within the
7 redevelopment project area during the base year, which shall be
8 the calendar year immediately prior to the year of the adoption
9 of the ordinance authorizing tax increment allocation
10 financing.

11 (k) "Net State Utility Tax Increment" means the sum of the
12 following: (a) 80% of the first \$100,000 of State Utility Tax
13 Increment annually generated by a redevelopment project area;
14 (b) 60% of the amount in excess of \$100,000 but not exceeding
15 \$500,000 of the State Utility Tax Increment annually generated
16 by a redevelopment project area; and (c) 40% of all amounts in
17 excess of \$500,000 of State Utility Tax Increment annually
18 generated by a redevelopment project area. For the State Fiscal
19 Year 1999, and every year thereafter until the year 2007, for
20 any municipality that has not entered into a contract or has
21 not issued bonds prior to June 1, 1988 to finance redevelopment
22 project costs within a redevelopment project area, the Net
23 State Utility Tax Increment shall be calculated as follows: By
24 multiplying the Net State Utility Tax Increment by 90% in the
25 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%
26 in the State Fiscal Year 2001; 60% in the State Fiscal Year
27 2002; 50% in the State Fiscal Year 2003; 40% in the State
28 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the
29 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.
30 No payment shall be made for the State Fiscal Year 2008 and
31 thereafter.

32 Municipalities that issue bonds in connection with the
33 redevelopment project during the period from June 1, 1988 until
34 3 years after the effective date of this Amendatory Act of 1988

1 shall receive the Net State Utility Tax Increment, subject to
2 appropriation, for 15 State Fiscal Years after the issuance of
3 such bonds. For the 16th through the 20th State Fiscal Years
4 after issuance of the bonds, the Net State Utility Tax
5 Increment shall be calculated as follows: By multiplying the
6 Net State Utility Tax Increment by 90% in year 16; 80% in year
7 17; 70% in year 18; 60% in year 19; and 50% in year 20.
8 Refunding of any bonds issued prior to June 1, 1988, shall not
9 alter the revised Net State Utility Tax Increment payments set
10 forth above.

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

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

27 (n) "Redevelopment plan" means the comprehensive program
28 of the municipality for development or redevelopment intended
29 by the payment of redevelopment project costs to reduce or
30 eliminate those conditions the existence of which qualified the
31 redevelopment project area as a "blighted area" or
32 "conservation area" or combination thereof or "industrial park
33 conservation area," and thereby to enhance the tax bases of the
34 taxing districts which extend into the redevelopment project

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

13 (A) an itemized list of estimated redevelopment
14 project costs;

15 (B) evidence indicating that the redevelopment project
16 area on the whole has not been subject to growth and
17 development through investment by private enterprise;

18 (C) an assessment of any financial impact of the
19 redevelopment project area on or any increased demand for
20 services from any taxing district affected by the plan and
21 any program to address such financial impact or increased
22 demand;

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

24 (E) the nature and term of the obligations to be
25 issued;

26 (F) the most recent equalized assessed valuation of the
27 redevelopment project area;

28 (G) an estimate as to the equalized assessed valuation
29 after redevelopment and the general land uses to apply in
30 the redevelopment project area;

31 (H) a commitment to fair employment practices and an
32 affirmative action plan;

33 (I) if it concerns an industrial park conservation
34 area, the plan shall also include a general description of

1 any proposed developer, user and tenant of any property, a
2 description of the type, structure and general character of
3 the facilities to be developed, a description of the type,
4 class and number of new employees to be employed in the
5 operation of the facilities to be developed; and

6 (J) if property is to be annexed to the municipality,
7 the plan shall include the terms of the annexation
8 agreement.

9 The provisions of items (B) and (C) of this subsection (n)
10 shall not apply to a municipality that before March 14, 1994
11 (the effective date of Public Act 88-537) had fixed, either by
12 its corporate authorities or by a commission designated under
13 subsection (k) of Section 11-74.4-4, a time and place for a
14 public hearing as required by subsection (a) of Section
15 11-74.4-5. No redevelopment plan shall be adopted unless a
16 municipality complies with all of the following requirements:

17 (1) The municipality finds that the redevelopment
18 project area on the whole has not been subject to growth
19 and development through investment by private enterprise
20 and would not reasonably be anticipated to be developed
21 without the adoption of the redevelopment plan.

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

33 (3) The redevelopment plan establishes the estimated
34 dates of completion of the redevelopment project and

1 retirement of obligations issued to finance redevelopment
2 project costs. Those dates: shall not be later than
3 December 31 of the year in which the payment to the
4 municipal treasurer as provided in subsection (b) of
5 Section 11-74.4-8 of this Act is to be made with respect to
6 ad valorem taxes levied in the twenty-third calendar year
7 after the year in which the ordinance approving the
8 redevelopment project area is adopted if the ordinance was
9 adopted on or after January 15, 1981; shall not be later
10 than December 31 of the year in which the payment to the
11 municipal treasurer as provided in subsection (b) of
12 Section 11-74.4-8 of this Act is to be made with respect to
13 ad valorem taxes levied in the thirty-third calendar year
14 after the year in which the ordinance approving the
15 redevelopment project area if the ordinance was adopted on
16 May 20, 1985 by the Village of Wheeling; and shall not be
17 later than December 31 of the year in which the payment to
18 the municipal treasurer as provided in subsection (b) of
19 Section 11-74.4-8 of this Act is to be made with respect to
20 ad valorem taxes levied in the thirty-fifth calendar year
21 after the year in which the ordinance approving the
22 redevelopment project area is adopted:

23 (A) if the ordinance was adopted before January 15,
24 1981, or

25 (B) if the ordinance was adopted in December 1983,
26 April 1984, July 1985, or December 1989, or

27 (C) if the ordinance was adopted in December 1987
28 and the redevelopment project is located within one
29 mile of Midway Airport, or

30 (D) if the ordinance was adopted before January 1,
31 1987 by a municipality in Mason County, or

32 (E) if the municipality is subject to the Local
33 Government Financial Planning and Supervision Act or
34 the Financially Distressed City Law, or

1 (F) if the ordinance was adopted in December 1984
2 by the Village of Rosemont, or

3 (G) if the ordinance was adopted on December 31,
4 1986 by a municipality located in Clinton County for
5 which at least \$250,000 of tax increment bonds were
6 authorized on June 17, 1997, or if the ordinance was
7 adopted on December 31, 1986 by a municipality with a
8 population in 1990 of less than 3,600 that is located
9 in a county with a population in 1990 of less than
10 34,000 and for which at least \$250,000 of tax increment
11 bonds were authorized on June 17, 1997, or

12 (H) if the ordinance was adopted on October 5, 1982
13 by the City of Kankakee, or if the ordinance was
14 adopted on December 29, 1986 by East St. Louis, or

15 (I) if the ordinance was adopted on November 12,
16 1991 by the Village of Sauget, or

17 (J) if the ordinance was adopted on February 11,
18 1985 by the City of Rock Island, or

19 (K) if the ordinance was adopted before December
20 18, 1986 by the City of Moline, or

21 (L) if the ordinance was adopted in September 1988
22 by Sauk Village, or

23 (M) if the ordinance was adopted in October 1993 by
24 Sauk Village, or

25 (N) if the ordinance was adopted on December 29,
26 1986 by the City of Galva, or

27 (O) if the ordinance was adopted in March 1991 by
28 the City of Centreville, or

29 (P) if the ordinance was adopted on January 23,
30 1991 by the City of East St. Louis, or

31 (Q) if the ordinance was adopted on December 22,
32 1986 by the City of Aledo, or

33 (R) if the ordinance was adopted on February 5,
34 1990 by the City of Clinton, or

1 (S) if the ordinance was adopted on September 6,
2 1994 by the City of Freeport, or

3 (T) if the ordinance was adopted on December 22,
4 1986 by the City of Tuscola, or

5 (U) if the ordinance was adopted on December 23,
6 1986 by the City of Sparta, or

7 (V) if the ordinance was adopted on December 23,
8 1986 by the City of Beardstown, or

9 (W) if the ordinance was adopted on April 27, 1981,
10 October 21, 1985, or December 30, 1986 by the City of
11 Belleville, or

12 (X) if the ordinance was adopted on December 29,
13 1986 by the City of Collinsville, or

14 (Y) if the ordinance was adopted on September 14,
15 1994 by the City of Alton, or

16 (Z) if the ordinance was adopted on November 11,
17 1996 by the City of Lexington, or

18 (AA) if the ordinance was adopted on November 5,
19 1984 by the City of LeRoy, or

20 (BB) if the ordinance was adopted on April 3, 1991
21 or June 3, 1992 by the City of Markham, or

22 (CC) if the ordinance was adopted on November 11,
23 1986 by the City of Pekin, or

24 (DD) if the ordinance was adopted on December 15,
25 1981 by the City of Champaign, or

26 (EE) if the ordinance was adopted on December 15,
27 1986 by the City of Urbana, or

28 (FF) if the ordinance was adopted on December 15,
29 1986 by the Village of Heyworth, or

30 (GG) if the ordinance was adopted on February 24,
31 1992 by the Village of Heyworth, or

32 (HH) if the ordinance was adopted on March 16, 1995
33 by the Village of Heyworth, or

34 (II) if the ordinance was adopted on December 23,

1 1986 by the Town of Cicero, or
2 (JJ) if the ordinance was adopted on December 30,
3 1986 by the City of Effingham, or
4 (KK) if the ordinance was adopted on May 9, 1991 by
5 the Village of Tilton, or
6 (LL) if the ordinance was adopted on October 20,
7 1986 by the City of Elmhurst, or
8 (MM) if the ordinance was adopted on January 19,
9 1988 by the City of Waukegan, or
10 (NN) if the ordinance was adopted on September 21,
11 1998 by the City of Waukegan, or
12 (OO) if the ordinance was adopted on December 31,
13 1986 by the City of Sullivan, or
14 (PP) if the ordinance was adopted on December 23,
15 1991 by the City of Sullivan, or-
16 (QQ) ~~(OO)~~ if the ordinance was adopted on December
17 31, 1986 by the City of Oglesby, or
18 (RR) if the ordinance was adopted on February 2,
19 1989 by the Village of Lombard.

20 However, for redevelopment project areas for which
21 bonds were issued before July 29, 1991, or for which
22 contracts were entered into before June 1, 1988, in
23 connection with a redevelopment project in the area within
24 the State Sales Tax Boundary, the estimated dates of
25 completion of the redevelopment project and retirement of
26 obligations to finance redevelopment project costs may be
27 extended by municipal ordinance to December 31, 2013. The
28 termination procedures of subsection (b) of Section
29 11-74.4-8 are not required for these redevelopment project
30 areas in 2009 but are required in 2013. The extension
31 allowed by this amendatory Act of 1993 shall not apply to
32 real property tax increment allocation financing under
33 Section 11-74.4-8.

34 A municipality may by municipal ordinance amend an

1 existing redevelopment plan to conform to this paragraph
2 (3) as amended by Public Act 91-478, which municipal
3 ordinance may be adopted without further hearing or notice
4 and without complying with the procedures provided in this
5 Act pertaining to an amendment to or the initial approval
6 of a redevelopment plan and project and designation of a
7 redevelopment project area.

8 Those dates, for purposes of real property tax
9 increment allocation financing pursuant to Section
10 11-74.4-8 only, shall be not more than 35 years for
11 redevelopment project areas that were adopted on or after
12 December 16, 1986 and for which at least \$8 million worth
13 of municipal bonds were authorized on or after December 19,
14 1989 but before January 1, 1990; provided that the
15 municipality elects to extend the life of the redevelopment
16 project area to 35 years by the adoption of an ordinance
17 after at least 14 but not more than 30 days' written notice
18 to the taxing bodies, that would otherwise constitute the
19 joint review board for the redevelopment project area,
20 before the adoption of the ordinance.

21 Those dates, for purposes of real property tax
22 increment allocation financing pursuant to Section
23 11-74.4-8 only, shall be not more than 35 years for
24 redevelopment project areas that were established on or
25 after December 1, 1981 but before January 1, 1982 and for
26 which at least \$1,500,000 worth of tax increment revenue
27 bonds were authorized on or after September 30, 1990 but
28 before July 1, 1991; provided that the municipality elects
29 to extend the life of the redevelopment project area to 35
30 years by the adoption of an ordinance after at least 14 but
31 not more than 30 days' written notice to the taxing bodies,
32 that would otherwise constitute the joint review board for
33 the redevelopment project area, before the adoption of the
34 ordinance.

1 (3.5) The municipality finds, in the case of an
2 industrial park conservation area, also that the
3 municipality is a labor surplus municipality and that the
4 implementation of the redevelopment plan will reduce
5 unemployment, create new jobs and by the provision of new
6 facilities enhance the tax base of the taxing districts
7 that extend into the redevelopment project area.

8 (4) If any incremental revenues are being utilized
9 under Section 8(a)(1) or 8(a)(2) of this Act in
10 redevelopment project areas approved by ordinance after
11 January 1, 1986, the municipality finds: (a) that the
12 redevelopment project area would not reasonably be
13 developed without the use of such incremental revenues, and
14 (b) that such incremental revenues will be exclusively
15 utilized for the development of the redevelopment project
16 area.

17 (5) If the redevelopment plan will not result in
18 displacement of residents from 10 or more inhabited
19 residential units, and the municipality certifies in the
20 plan that such displacement will not result from the plan,
21 a housing impact study need not be performed. If, however,
22 the redevelopment plan would result in the displacement of
23 residents from 10 or more inhabited residential units, or
24 if the redevelopment project area contains 75 or more
25 inhabited residential units and no certification is made,
26 then the municipality shall prepare, as part of the
27 separate feasibility report required by subsection (a) of
28 Section 11-74.4-5, a housing impact study.

29 Part I of the housing impact study shall include (i)
30 data as to whether the residential units are single family
31 or multi-family units, (ii) the number and type of rooms
32 within the units, if that information is available, (iii)
33 whether the units are inhabited or uninhabited, as
34 determined not less than 45 days before the date that the

1 ordinance or resolution required by subsection (a) of
2 Section 11-74.4-5 is passed, and (iv) data as to the racial
3 and ethnic composition of the residents in the inhabited
4 residential units. The data requirement as to the racial
5 and ethnic composition of the residents in the inhabited
6 residential units shall be deemed to be fully satisfied by
7 data from the most recent federal census.

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

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

24 (7) On and after November 1, 1999, no redevelopment
25 plan shall be adopted, nor an existing plan amended, nor
26 shall residential housing that is occupied by households of
27 low-income and very low-income persons in currently
28 existing redevelopment project areas be removed after
29 November 1, 1999 unless the redevelopment plan provides,
30 with respect to inhabited housing units that are to be
31 removed for households of low-income and very low-income
32 persons, affordable housing and relocation assistance not
33 less than that which would be provided under the federal
34 Uniform Relocation Assistance and Real Property

1 Acquisition Policies Act of 1970 and the regulations under
2 that Act, including the eligibility criteria. Affordable
3 housing may be either existing or newly constructed
4 housing. For purposes of this paragraph (7), "low-income
5 households", "very low-income households", and "affordable
6 housing" have the meanings set forth in the Illinois
7 Affordable Housing Act. The municipality shall make a good
8 faith effort to ensure that this affordable housing is
9 located in or near the redevelopment project area within
10 the municipality.

11 (8) On and after November 1, 1999, if, after the
12 adoption of the redevelopment plan for the redevelopment
13 project area, any municipality desires to amend its
14 redevelopment plan to remove more inhabited residential
15 units than specified in its original redevelopment plan,
16 that change shall be made in accordance with the procedures
17 in subsection (c) of Section 11-74.4-5.

18 (9) For redevelopment project areas designated prior
19 to November 1, 1999, the redevelopment plan may be amended
20 without further joint review board meeting or hearing,
21 provided that the municipality shall give notice of any
22 such changes by mail to each affected taxing district and
23 registrant on the interested party registry, to authorize
24 the municipality to expend tax increment revenues for
25 redevelopment project costs defined by paragraphs (5) and
26 (7.5), subparagraphs (E) and (F) of paragraph (11), and
27 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so
28 long as the changes do not increase the total estimated
29 redevelopment project costs set out in the redevelopment
30 plan by more than 5% after adjustment for inflation from
31 the date the plan was adopted.

32 (o) "Redevelopment project" means any public and private
33 development project in furtherance of the objectives of a
34 redevelopment plan. On and after November 1, 1999 (the

1 effective date of Public Act 91-478), no redevelopment plan may
2 be approved or amended that includes the development of vacant
3 land (i) with a golf course and related clubhouse and other
4 facilities or (ii) designated by federal, State, county, or
5 municipal government as public land for outdoor recreational
6 activities or for nature preserves and used for that purpose
7 within 5 years prior to the adoption of the redevelopment plan.
8 For the purpose of this subsection, "recreational activities"
9 is limited to mean camping and hunting.

10 (p) "Redevelopment project area" means an area designated
11 by the municipality, which is not less in the aggregate than 1
12 1/2 acres and in respect to which the municipality has made a
13 finding that there exist conditions which cause the area to be
14 classified as an industrial park conservation area or a
15 blighted area or a conservation area, or a combination of both
16 blighted areas and conservation areas.

17 (q) "Redevelopment project costs" mean and include the sum
18 total of all reasonable or necessary costs incurred or
19 estimated to be incurred, and any such costs incidental to a
20 redevelopment plan and a redevelopment project. Such costs
21 include, without limitation, the following:

22 (1) Costs of studies, surveys, development of plans,
23 and specifications, implementation and administration of
24 the redevelopment plan including but not limited to staff
25 and professional service costs for architectural,
26 engineering, legal, financial, planning or other services,
27 provided however that no charges for professional services
28 may be based on a percentage of the tax increment
29 collected; except that on and after November 1, 1999 (the
30 effective date of Public Act 91-478), no contracts for
31 professional services, excluding architectural and
32 engineering services, may be entered into if the terms of
33 the contract extend beyond a period of 3 years. In
34 addition, "redevelopment project costs" shall not include

1 lobbying expenses. After consultation with the
2 municipality, each tax increment consultant or advisor to a
3 municipality that plans to designate or has designated a
4 redevelopment project area shall inform the municipality
5 in writing of any contracts that the consultant or advisor
6 has entered into with entities or individuals that have
7 received, or are receiving, payments financed by tax
8 increment revenues produced by the redevelopment project
9 area with respect to which the consultant or advisor has
10 performed, or will be performing, service for the
11 municipality. This requirement shall be satisfied by the
12 consultant or advisor before the commencement of services
13 for the municipality and thereafter whenever any other
14 contracts with those individuals or entities are executed
15 by the consultant or advisor;

16 (1.5) After July 1, 1999, annual administrative costs
17 shall not include general overhead or administrative costs
18 of the municipality that would still have been incurred by
19 the municipality if the municipality had not designated a
20 redevelopment project area or approved a redevelopment
21 plan;

22 (1.6) The cost of marketing sites within the
23 redevelopment project area to prospective businesses,
24 developers, and investors;

25 (2) Property assembly costs, including but not limited
26 to acquisition of land and other property, real or
27 personal, or rights or interests therein, demolition of
28 buildings, site preparation, site improvements that serve
29 as an engineered barrier addressing ground level or below
30 ground environmental contamination, including, but not
31 limited to parking lots and other concrete or asphalt
32 barriers, and the clearing and grading of land;

33 (3) Costs of rehabilitation, reconstruction or repair
34 or remodeling of existing public or private buildings,

1 fixtures, and leasehold improvements; and the cost of
2 replacing an existing public building if pursuant to the
3 implementation of a redevelopment project the existing
4 public building is to be demolished to use the site for
5 private investment or devoted to a different use requiring
6 private investment;

7 (4) Costs of the construction of public works or
8 improvements, except that on and after November 1, 1999,
9 redevelopment project costs shall not include the cost of
10 constructing a new municipal public building principally
11 used to provide offices, storage space, or conference
12 facilities or vehicle storage, maintenance, or repair for
13 administrative, public safety, or public works personnel
14 and that is not intended to replace an existing public
15 building as provided under paragraph (3) of subsection (q)
16 of Section 11-74.4-3 unless either (i) the construction of
17 the new municipal building implements a redevelopment
18 project that was included in a redevelopment plan that was
19 adopted by the municipality prior to November 1, 1999 or
20 (ii) the municipality makes a reasonable determination in
21 the redevelopment plan, supported by information that
22 provides the basis for that determination, that the new
23 municipal building is required to meet an increase in the
24 need for public safety purposes anticipated to result from
25 the implementation of the redevelopment plan;

26 (5) Costs of job training and retraining projects,
27 including the cost of "welfare to work" programs
28 implemented by businesses located within the redevelopment
29 project area;

30 (6) Financing costs, including but not limited to all
31 necessary and incidental expenses related to the issuance
32 of obligations and which may include payment of interest on
33 any obligations issued hereunder including interest
34 accruing during the estimated period of construction of any

1 redevelopment project for which such obligations are
2 issued and for not exceeding 36 months thereafter and
3 including reasonable reserves related thereto;

4 (7) To the extent the municipality by written agreement
5 accepts and approves the same, all or a portion of a taxing
6 district's capital costs resulting from the redevelopment
7 project necessarily incurred or to be incurred within a
8 taxing district in furtherance of the objectives of the
9 redevelopment plan and project.

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

26 (A) for foundation districts, excluding any school
27 district in a municipality with a population in excess
28 of 1,000,000, by multiplying the district's increase
29 in attendance resulting from the net increase in new
30 students enrolled in that school district who reside in
31 housing units within the redevelopment project area
32 that have received financial assistance through an
33 agreement with the municipality or because the
34 municipality incurs the cost of necessary

1 infrastructure improvements within the boundaries of
2 the housing sites necessary for the completion of that
3 housing as authorized by this Act since the designation
4 of the redevelopment project area by the most recently
5 available per capita tuition cost as defined in Section
6 10-20.12a of the School Code less any increase in
7 general State aid as defined in Section 18-8.05 of the
8 School Code attributable to these added new students
9 subject to the following annual limitations:

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

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

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

28 (B) For alternate method districts, flat grant
29 districts, and foundation districts with a district
30 average 1995-96 Per Capita Tuition Charge equal to or
31 more than \$5,900, excluding any school district with a
32 population in excess of 1,000,000, by multiplying the
33 district's increase in attendance resulting from the
34 net increase in new students enrolled in that school

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

15 (i) for unit school districts, no more than 40%
16 of the total amount of property tax increment
17 revenue produced by those housing units that have
18 received tax increment finance assistance under
19 this Act;

20 (ii) for elementary school districts, no more
21 than 27% of the total amount of property tax
22 increment revenue produced by those housing units
23 that have received tax increment finance
24 assistance under this Act; and

25 (iii) for secondary school districts, no more
26 than 13% of the total amount of property tax
27 increment revenue produced by those housing units
28 that have received tax increment finance
29 assistance under this Act.

30 (C) For any school district in a municipality with
31 a population in excess of 1,000,000, the following
32 restrictions shall apply to the reimbursement of
33 increased costs under this paragraph (7.5):

34 (i) no increased costs shall be reimbursed

1 unless the school district certifies that each of
2 the schools affected by the assisted housing
3 project is at or over its student capacity;

4 (ii) the amount reimbursable shall be reduced
5 by the value of any land donated to the school
6 district by the municipality or developer, and by
7 the value of any physical improvements made to the
8 schools by the municipality or developer; and

9 (iii) the amount reimbursed may not affect
10 amounts otherwise obligated by the terms of any
11 bonds, notes, or other funding instruments, or the
12 terms of any redevelopment agreement.

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

29 (7.7) For redevelopment project areas designated (or
30 redevelopment project areas amended to add or increase the
31 number of tax-increment-financing assisted housing units)
32 on or after January 1, 2005 (the effective date of Public
33 Act 93-961), a public library district's increased costs
34 attributable to assisted housing units located within the

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

18 The amount paid to a library district under this
19 paragraph (7.7) shall be calculated by multiplying (i) the
20 net increase in the number of persons eligible to obtain a
21 library card in that district who reside in housing units
22 within the redevelopment project area that have received
23 financial assistance through an agreement with the
24 municipality or because the municipality incurs the cost of
25 necessary infrastructure improvements within the
26 boundaries of the housing sites necessary for the
27 completion of that housing as authorized by this Act since
28 the designation of the redevelopment project area by (ii)
29 the per-patron cost of providing library services so long
30 as it does not exceed \$120. The per-patron cost shall be
31 the Total Operating Expenditures Per Capita as stated in
32 the most recent Illinois Public Library Statistics
33 produced by the Library Research Center at the University
34 of Illinois. The municipality may deduct from the amount

1 that it must pay to a library district under this paragraph
2 any amount that it has voluntarily paid to the library
3 district from the tax increment revenue. The amount paid to
4 a library district under this paragraph (7.7) shall be no
5 more than 2% of the amount produced by the assisted housing
6 units and deposited into the Special Tax Allocation Fund.

7 A library district is not eligible for any payment
8 under this paragraph (7.7) unless the library district has
9 experienced an increase in the number of patrons from the
10 municipality that created the tax-increment-financing
11 district since the designation of the redevelopment
12 project area.

13 Any library district seeking payment under this
14 paragraph (7.7) shall, after July 1 and before September 30
15 of each year, provide the municipality with convincing
16 evidence to support its claim for reimbursement before the
17 municipality shall be required to approve or make the
18 payment to the library district. If the library district
19 fails to provide the information during this period in any
20 year, it shall forfeit any claim to reimbursement for that
21 year. Library districts may adopt a resolution waiving the
22 right to all or a portion of the reimbursement otherwise
23 required by this paragraph (7.7). By acceptance of such
24 reimbursement, the library district shall forfeit any
25 right to directly or indirectly set aside, modify, or
26 contest in any manner whatsoever the establishment of the
27 redevelopment project area or projects;

28 (8) Relocation costs to the extent that a municipality
29 determines that relocation costs shall be paid or is
30 required to make payment of relocation costs by federal or
31 State law or in order to satisfy subparagraph (7) of
32 subsection (n);

33 (9) Payment in lieu of taxes;

34 (10) Costs of job training, retraining, advanced

1 vocational education or career education, including but
2 not limited to courses in occupational, semi-technical or
3 technical fields leading directly to employment, incurred
4 by one or more taxing districts, provided that such costs
5 (i) are related to the establishment and maintenance of
6 additional job training, advanced vocational education or
7 career education programs for persons employed or to be
8 employed by employers located in a redevelopment project
9 area; and (ii) when incurred by a taxing district or taxing
10 districts other than the municipality, are set forth in a
11 written agreement by or among the municipality and the
12 taxing district or taxing districts, which agreement
13 describes the program to be undertaken, including but not
14 limited to the number of employees to be trained, a
15 description of the training and services to be provided,
16 the number and type of positions available or to be
17 available, itemized costs of the program and sources of
18 funds to pay for the same, and the term of the agreement.
19 Such costs include, specifically, the payment by community
20 college districts of costs pursuant to Sections 3-37, 3-38,
21 3-40 and 3-40.1 of the Public Community College Act and by
22 school districts of costs pursuant to Sections 10-22.20a
23 and 10-23.3a of The School Code;

24 (11) Interest cost incurred by a redeveloper related to
25 the construction, renovation or rehabilitation of a
26 redevelopment project provided that:

27 (A) such costs are to be paid directly from the
28 special tax allocation fund established pursuant to
29 this Act;

30 (B) such payments in any one year may not exceed
31 30% of the annual interest costs incurred by the
32 redeveloper with regard to the redevelopment project
33 during that year;

34 (C) if there are not sufficient funds available in

1 the special tax allocation fund to make the payment
2 pursuant to this paragraph (11) then the amounts so due
3 shall accrue and be payable when sufficient funds are
4 available in the special tax allocation fund;

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

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

19 (F) Instead of the eligible costs provided by
20 subparagraphs (B) and (D) of paragraph (11), as
21 modified by this subparagraph, and notwithstanding any
22 other provisions of this Act to the contrary, the
23 municipality may pay from tax increment revenues up to
24 50% of the cost of construction of new housing units to
25 be occupied by low-income households and very
26 low-income households as defined in Section 3 of the
27 Illinois Affordable Housing Act. The cost of
28 construction of those units may be derived from the
29 proceeds of bonds issued by the municipality under this
30 Act or other constitutional or statutory authority or
31 from other sources of municipal revenue that may be
32 reimbursed from tax increment revenues or the proceeds
33 of bonds issued to finance the construction of that
34 housing.

1 The eligible costs provided under this
2 subparagraph (F) of paragraph (11) shall be an eligible
3 cost for the construction, renovation, and
4 rehabilitation of all low and very low-income housing
5 units, as defined in Section 3 of the Illinois
6 Affordable Housing Act, within the redevelopment
7 project area. If the low and very low-income units are
8 part of a residential redevelopment project that
9 includes units not affordable to low and very
10 low-income households, only the low and very
11 low-income units shall be eligible for benefits under
12 subparagraph (F) of paragraph (11). The standards for
13 maintaining the occupancy by low-income households and
14 very low-income households, as defined in Section 3 of
15 the Illinois Affordable Housing Act, of those units
16 constructed with eligible costs made available under
17 the provisions of this subparagraph (F) of paragraph
18 (11) shall be established by guidelines adopted by the
19 municipality. The responsibility for annually
20 documenting the initial occupancy of the units by
21 low-income households and very low-income households,
22 as defined in Section 3 of the Illinois Affordable
23 Housing Act, shall be that of the then current owner of
24 the property. For ownership units, the guidelines will
25 provide, at a minimum, for a reasonable recapture of
26 funds, or other appropriate methods designed to
27 preserve the original affordability of the ownership
28 units. For rental units, the guidelines will provide,
29 at a minimum, for the affordability of rent to low and
30 very low-income households. As units become available,
31 they shall be rented to income-eligible tenants. The
32 municipality may modify these guidelines from time to
33 time; the guidelines, however, shall be in effect for
34 as long as tax increment revenue is being used to pay

1 for costs associated with the units or for the
2 retirement of bonds issued to finance the units or for
3 the life of the redevelopment project area, whichever
4 is later.

5 (11.5) If the redevelopment project area is located
6 within a municipality with a population of more than
7 100,000, the cost of day care services for children of
8 employees from low-income families working for businesses
9 located within the redevelopment project area and all or a
10 portion of the cost of operation of day care centers
11 established by redevelopment project area businesses to
12 serve employees from low-income families working in
13 businesses located in the redevelopment project area. For
14 the purposes of this paragraph, "low-income families"
15 means families whose annual income does not exceed 80% of
16 the municipal, county, or regional median income, adjusted
17 for family size, as the annual income and municipal,
18 county, or regional median income are determined from time
19 to time by the United States Department of Housing and
20 Urban Development.

21 (12) Unless explicitly stated herein the cost of
22 construction of new privately-owned buildings shall not be
23 an eligible redevelopment project cost.

24 (13) After November 1, 1999 (the effective date of
25 Public Act 91-478), none of the redevelopment project costs
26 enumerated in this subsection shall be eligible
27 redevelopment project costs if those costs would provide
28 direct financial support to a retail entity initiating
29 operations in the redevelopment project area while
30 terminating operations at another Illinois location within
31 10 miles of the redevelopment project area but outside the
32 boundaries of the redevelopment project area municipality.
33 For purposes of this paragraph, termination means a closing
34 of a retail operation that is directly related to the

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

10 If a special service area has been established pursuant to
11 the Special Service Area Tax Act or Special Service Area Tax
12 Law, then any tax increment revenues derived from the tax
13 imposed pursuant to the Special Service Area Tax Act or Special
14 Service Area Tax Law may be used within the redevelopment
15 project area for the purposes permitted by that Act or Law as
16 well as the purposes permitted by this Act.

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
27 the Public Utilities Act, on transactions at places of business
28 located within a State Sales Tax Boundary pursuant to the
29 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
30 Tax Act, and the Service Occupation Tax Act, except such
31 portion of such increase that is paid into the State and Local
32 Sales Tax Reform Fund, the Local Government Distributive Fund,
33 the Local Government Tax Fund and the County and Mass Transit
34 District Fund, for as long as State participation exists, over

1 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
2 Tax Amounts or the Revised Initial Sales Tax Amounts for such
3 taxes as certified by the Department of Revenue and paid under
4 those Acts by retailers and servicemen on transactions at
5 places of business located within the State Sales Tax Boundary
6 during the base year which shall be the calendar year
7 immediately prior to the year in which the municipality adopted
8 tax increment allocation financing, less 3.0% of such amounts
9 generated under the Retailers' Occupation Tax Act, Use Tax Act
10 and Service Use Tax Act and the Service Occupation Tax Act,
11 which sum shall be appropriated to the Department of Revenue to
12 cover its costs of administering and enforcing this Section.
13 For purposes of computing the aggregate amount of such taxes
14 for base years occurring prior to 1985, the Department of
15 Revenue shall compute the Initial Sales Tax Amount for such
16 taxes and deduct therefrom an amount equal to 4% of the
17 aggregate amount of taxes per year for each year the base year
18 is prior to 1985, but not to exceed a total deduction of 12%.
19 The amount so determined shall be known as the "Adjusted
20 Initial Sales Tax Amount". For purposes of determining the
21 State Sales Tax Increment the Department of Revenue shall for
22 each period subtract from the tax amounts received from
23 retailers and servicemen on transactions located in the State
24 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
25 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
26 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
27 the Service Use Tax Act and the Service Occupation Tax Act. For
28 the State Fiscal Year 1989 this calculation shall be made by
29 utilizing the calendar year 1987 to determine the tax amounts
30 received. For the State Fiscal Year 1990, this calculation
31 shall be made by utilizing the period from January 1, 1988,
32 until September 30, 1988, to determine the tax amounts received
33 from retailers and servicemen, which shall have deducted
34 therefrom nine-twelfths of the certified Initial Sales Tax

1 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
2 Initial Sales Tax Amounts as appropriate. For the State Fiscal
3 Year 1991, this calculation shall be made by utilizing the
4 period from October 1, 1988, until June 30, 1989, to determine
5 the tax amounts received from retailers and servicemen, which
6 shall have deducted therefrom nine-twelfths of the certified
7 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax
8 Amounts or the Revised Initial Sales Tax Amounts as
9 appropriate. For every State Fiscal Year thereafter, the
10 applicable period shall be the 12 months beginning July 1 and
11 ending on June 30, to determine the tax amounts received which
12 shall have deducted therefrom the certified Initial Sales Tax
13 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
14 Initial Sales Tax Amounts. Municipalities intending to receive
15 a distribution of State Sales Tax Increment must report a list
16 of retailers to the Department of Revenue by October 31, 1988
17 and by July 31, of each year thereafter.

18 (t) "Taxing districts" means counties, townships, cities
19 and incorporated towns and villages, school, road, park,
20 sanitary, mosquito abatement, forest preserve, public health,
21 fire protection, river conservancy, tuberculosis sanitarium
22 and any other municipal corporations or districts with the
23 power to levy taxes.

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

28 (v) As used in subsection (a) of Section 11-74.4-3 of this
29 Act, "vacant land" means any parcel or combination of parcels
30 of real property without industrial, commercial, and
31 residential buildings which has not been used for commercial
32 agricultural purposes within 5 years prior to the designation
33 of the redevelopment project area, unless the parcel is
34 included in an industrial park conservation area or the parcel

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

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

28 (Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05;
29 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-961, eff.
30 1-1-05; 93-983, eff. 8-23-04; 93-984, eff. 8-23-04; 93-985,
31 eff. 8-23-04; 93-986, eff. 8-23-04; 93-987, eff. 8-23-04;
32 93-995, eff. 8-23-04; 93-1024, eff. 8-25-04; 93-1076, eff.
33 1-18-05; 94-260, eff. 7-19-05; 94-268, eff. 7-19-05; 94-297,
34 eff. 7-21-05; 94-302, eff. 7-21-05; revised 8-10-05.)

1 (65 ILCS 5/11-74.4-7) (from Ch. 24, par. 11-74.4-7)

2 Sec. 11-74.4-7. Obligations secured by the special tax
3 allocation fund set forth in Section 11-74.4-8 for the
4 redevelopment project area may be issued to provide for
5 redevelopment project costs. Such obligations, when so issued,
6 shall be retired in the manner provided in the ordinance
7 authorizing the issuance of such obligations by the receipts of
8 taxes levied as specified in Section 11-74.4-9 against the
9 taxable property included in the area, by revenues as specified
10 by Section 11-74.4-8a and other revenue designated by the
11 municipality. A municipality may in the ordinance pledge all or
12 any part of the funds in and to be deposited in the special tax
13 allocation fund created pursuant to Section 11-74.4-8 to the
14 payment of the redevelopment project costs and obligations. Any
15 pledge of funds in the special tax allocation fund shall
16 provide for distribution to the taxing districts and to the
17 Illinois Department of Revenue of moneys not required, pledged,
18 earmarked, or otherwise designated for payment and securing of
19 the obligations and anticipated redevelopment project costs
20 and such excess funds shall be calculated annually and deemed
21 to be "surplus" funds. In the event a municipality only applies
22 or pledges a portion of the funds in the special tax allocation
23 fund for the payment or securing of anticipated redevelopment
24 project costs or of obligations, any such funds remaining in
25 the special tax allocation fund after complying with the
26 requirements of the application or pledge, shall also be
27 calculated annually and deemed "surplus" funds. All surplus
28 funds in the special tax allocation fund shall be distributed
29 annually within 180 days after the close of the municipality's
30 fiscal year by being paid by the municipal treasurer to the
31 County Collector, to the Department of Revenue and to the
32 municipality in direct proportion to the tax incremental
33 revenue received as a result of an increase in the equalized

1 assessed value of property in the redevelopment project area,
2 tax incremental revenue received from the State and tax
3 incremental revenue received from the municipality, but not to
4 exceed as to each such source the total incremental revenue
5 received from that source. The County Collector shall
6 thereafter make distribution to the respective taxing
7 districts in the same manner and proportion as the most recent
8 distribution by the county collector to the affected districts
9 of real property taxes from real property in the redevelopment
10 project area.

11 Without limiting the foregoing in this Section, the
12 municipality may in addition to obligations secured by the
13 special tax allocation fund pledge for a period not greater
14 than the term of the obligations towards payment of such
15 obligations any part or any combination of the following: (a)
16 net revenues of all or part of any redevelopment project; (b)
17 taxes levied and collected on any or all property in the
18 municipality; (c) the full faith and credit of the
19 municipality; (d) a mortgage on part or all of the
20 redevelopment project; or (e) any other taxes or anticipated
21 receipts that the municipality may lawfully pledge.

22 Such obligations may be issued in one or more series
23 bearing interest at such rate or rates as the corporate
24 authorities of the municipality shall determine by ordinance.
25 Such obligations shall bear such date or dates, mature at such
26 time or times not exceeding 20 years from their respective
27 dates, be in such denomination, carry such registration
28 privileges, be executed in such manner, be payable in such
29 medium of payment at such place or places, contain such
30 covenants, terms and conditions, and be subject to redemption
31 as such ordinance shall provide. Obligations issued pursuant to
32 this Act may be sold at public or private sale at such price as
33 shall be determined by the corporate authorities of the
34 municipalities. No referendum approval of the electors shall be

1 required as a condition to the issuance of obligations pursuant
2 to this Division except as provided in this Section.

3 In the event the municipality authorizes issuance of
4 obligations pursuant to the authority of this Division secured
5 by the full faith and credit of the municipality, which
6 obligations are other than obligations which may be issued
7 under home rule powers provided by Article VII, Section 6 of
8 the Illinois Constitution, or pledges taxes pursuant to (b) or
9 (c) of the second paragraph of this section, the ordinance
10 authorizing the issuance of such obligations or pledging such
11 taxes shall be published within 10 days after such ordinance
12 has been passed in one or more newspapers, with general
13 circulation within such municipality. The publication of the
14 ordinance shall be accompanied by a notice of (1) the specific
15 number of voters required to sign a petition requesting the
16 question of the issuance of such obligations or pledging taxes
17 to be submitted to the electors; (2) the time in which such
18 petition must be filed; and (3) the date of the prospective
19 referendum. The municipal clerk shall provide a petition form
20 to any individual requesting one.

21 If no petition is filed with the municipal clerk, as
22 hereinafter provided in this Section, within 30 days after the
23 publication of the ordinance, the ordinance shall be in effect.
24 But, if within that 30 day period a petition is filed with the
25 municipal clerk, signed by electors in the municipality
26 numbering 10% or more of the number of registered voters in the
27 municipality, asking that the question of issuing obligations
28 using full faith and credit of the municipality as security for
29 the cost of paying for redevelopment project costs, or of
30 pledging taxes for the payment of such obligations, or both, be
31 submitted to the electors of the municipality, the corporate
32 authorities of the municipality shall call a special election
33 in the manner provided by law to vote upon that question, or,
34 if a general, State or municipal election is to be held within

1 a period of not less than 30 or more than 90 days from the date
2 such petition is filed, shall submit the question at the next
3 general, State or municipal election. If it appears upon the
4 canvass of the election by the corporate authorities that a
5 majority of electors voting upon the question voted in favor
6 thereof, the ordinance shall be in effect, but if a majority of
7 the electors voting upon the question are not in favor thereof,
8 the ordinance shall not take effect.

9 The ordinance authorizing the obligations may provide that
10 the obligations shall contain a recital that they are issued
11 pursuant to this Division, which recital shall be conclusive
12 evidence of their validity and of the regularity of their
13 issuance.

14 In the event the municipality authorizes issuance of
15 obligations pursuant to this Section secured by the full faith
16 and credit of the municipality, the ordinance authorizing the
17 obligations may provide for the levy and collection of a direct
18 annual tax upon all taxable property within the municipality
19 sufficient to pay the principal thereof and interest thereon as
20 it matures, which levy may be in addition to and exclusive of
21 the maximum of all other taxes authorized to be levied by the
22 municipality, which levy, however, shall be abated to the
23 extent that monies from other sources are available for payment
24 of the obligations and the municipality certifies the amount of
25 said monies available to the county clerk.

26 A certified copy of such ordinance shall be filed with the
27 county clerk of each county in which any portion of the
28 municipality is situated, and shall constitute the authority
29 for the extension and collection of the taxes to be deposited
30 in the special tax allocation fund.

31 A municipality may also issue its obligations to refund in
32 whole or in part, obligations theretofore issued by such
33 municipality under the authority of this Act, whether at or
34 prior to maturity, provided however, that the last maturity of

1 the refunding obligations shall not be expressed to mature
2 later than December 31 of the year in which the payment to the
3 municipal treasurer as provided in subsection (b) of Section
4 11-74.4-8 of this Act is to be made with respect to ad valorem
5 taxes levied in the twenty-third calendar year after the year
6 in which the ordinance approving the redevelopment project area
7 is adopted if the ordinance was adopted on or after January 15,
8 1981, not later than December 31 of the year in which the
9 payment to the municipal treasurer as provided in subsection
10 (b) of Section 11-74.4-8 of this Act is to be made with respect
11 to ad valorem taxes levied in the thirty-third calendar year
12 after the year in which the ordinance approving the
13 redevelopment project area if the ordinance was adopted on May
14 20, 1985 by the Village of Wheeling, and not later than
15 December 31 of the year in which the payment to the municipal
16 treasurer as provided in subsection (b) of Section 11-74.4-8 of
17 this Act is to be made with respect to ad valorem taxes levied
18 in the thirty-fifth calendar year after the year in which the
19 ordinance approving the redevelopment project area is adopted
20 (A) if the ordinance was adopted before January 15, 1981, or
21 (B) if the ordinance was adopted in December 1983, April 1984,
22 July 1985, or December 1989, or (C) if the ordinance was
23 adopted in December, 1987 and the redevelopment project is
24 located within one mile of Midway Airport, or (D) if the
25 ordinance was adopted before January 1, 1987 by a municipality
26 in Mason County, or (E) if the municipality is subject to the
27 Local Government Financial Planning and Supervision Act or the
28 Financially Distressed City Law, or (F) if the ordinance was
29 adopted in December 1984 by the Village of Rosemont, or (G) if
30 the ordinance was adopted on December 31, 1986 by a
31 municipality located in Clinton County for which at least
32 \$250,000 of tax increment bonds were authorized on June 17,
33 1997, or if the ordinance was adopted on December 31, 1986 by a
34 municipality with a population in 1990 of less than 3,600 that

1 is located in a county with a population in 1990 of less than
2 34,000 and for which at least \$250,000 of tax increment bonds
3 were authorized on June 17, 1997, or (H) if the ordinance was
4 adopted on October 5, 1982 by the City of Kankakee, or (I) if
5 the ordinance was adopted on December 29, 1986 by East St.
6 Louis, or if the ordinance was adopted on November 12, 1991 by
7 the Village of Sauget, or (J) if the ordinance was adopted on
8 February 11, 1985 by the City of Rock Island, or (K) if the
9 ordinance was adopted before December 18, 1986 by the City of
10 Moline, or (L) if the ordinance was adopted in September 1988
11 by Sauk Village, or (M) if the ordinance was adopted in October
12 1993 by Sauk Village, or (N) if the ordinance was adopted on
13 December 29, 1986 by the City of Galva, or (O) if the ordinance
14 was adopted in March 1991 by the City of Centreville, or (P) if
15 the ordinance was adopted on January 23, 1991 by the City of
16 East St. Louis, or (Q) if the ordinance was adopted on December
17 22, 1986 by the City of Aledo, or (R) if the ordinance was
18 adopted on February 5, 1990 by the City of Clinton, or (S) if
19 the ordinance was adopted on September 6, 1994 by the City of
20 Freeport, or (T) if the ordinance was adopted on December 22,
21 1986 by the City of Tuscola, or (U) if the ordinance was
22 adopted on December 23, 1986 by the City of Sparta, or (V) if
23 the ordinance was adopted on December 23, 1986 by the City of
24 Beardstown, or (W) if the ordinance was adopted on April 27,
25 1981, October 21, 1985, or December 30, 1986 by the City of
26 Belleville, or (X) if the ordinance was adopted on December 29,
27 1986 by the City of Collinsville, or (Y) if the ordinance was
28 adopted on September 14, 1994 by the City of Alton, or (Z) if
29 the ordinance was adopted on November 11, 1996 by the City of
30 Lexington, or (AA) if the ordinance was adopted on November 5,
31 1984 by the City of LeRoy, or (BB) if the ordinance was adopted
32 on April 3, 1991 or June 3, 1992 by the City of Markham, or (CC)
33 if the ordinance was adopted on November 11, 1986 by the City
34 of Pekin, or (DD) if the ordinance was adopted on December 15,

1 1981 by the City of Champaign, or (EE) if the ordinance was
2 adopted on December 15, 1986 by the City of Urbana, or (FF) if
3 the ordinance was adopted on December 15, 1986 by the Village
4 of Heyworth, or (GG) if the ordinance was adopted on February
5 24, 1992 by the Village of Heyworth, or (HH) if the ordinance
6 was adopted on March 16, 1995 by the Village of Heyworth, or
7 (II) if the ordinance was adopted on December 23, 1986 by the
8 Town of Cicero, or (JJ) if the ordinance was adopted on
9 December 30, 1986 by the City of Effingham, or (KK) if the
10 ordinance was adopted on May 9, 1991 by the Village of Tilton,
11 or (LL) if the ordinance was adopted on October 20, 1986 by the
12 City of Elmhurst, or (MM) if the ordinance was adopted on
13 January 19, 1988 by the City of Waukegan, or (NN) if the
14 ordinance was adopted on September 21, 1998 by the City of
15 Waukegan, or (OO) if the ordinance was adopted on December 31,
16 1986 by the City of Sullivan, or (PP) if the ordinance was
17 adopted on December 23, 1991 by the City of Sullivan, or (QQ)
18 ~~(OO)~~ if the ordinance was adopted on December 31, 1986 by the
19 City of Oglesby, or (RR) if the ordinance was adopted on
20 February 2, 1989 by the Village of Lombard and, for
21 redevelopment project areas for which bonds were issued before
22 July 29, 1991, in connection with a redevelopment project in
23 the area within the State Sales Tax Boundary and which were
24 extended by municipal ordinance under subsection (n) of Section
25 11-74.4-3, the last maturity of the refunding obligations shall
26 not be expressed to mature later than the date on which the
27 redevelopment project area is terminated or December 31, 2013,
28 whichever date occurs first.

29 In the event a municipality issues obligations under home
30 rule powers or other legislative authority the proceeds of
31 which are pledged to pay for redevelopment project costs, the
32 municipality may, if it has followed the procedures in
33 conformance with this division, retire said obligations from
34 funds in the special tax allocation fund in amounts and in such

1 manner as if such obligations had been issued pursuant to the
2 provisions of this division.

3 All obligations heretofore or hereafter issued pursuant to
4 this Act shall not be regarded as indebtedness of the
5 municipality issuing such obligations or any other taxing
6 district for the purpose of any limitation imposed by law.

7 (Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05;
8 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-983, eff.
9 8-23-04; 93-984, eff. 8-23-04; 93-985, eff. 8-23-04; 93-986,
10 eff. 8-23-04; 93-987, eff. 8-23-04; 93-995, eff. 8-23-04;
11 93-1024, eff. 8-25-04; 93-1076, eff. 1-18-05; 94-260, eff.
12 7-19-05; 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; revised
13 8-10-05.)

14 Section 99. Effective date. This Act takes effect upon
15 becoming law."