

1 AN ACT concerning revenue.

2 WHEREAS, A wind energy Act that provides for a restoration
3 indemnity fund, and mechanic's lien clarification will provide
4 a favorable environmental and economic climate for development
5 of wind energy; and

6 WHEREAS, It is desirable to develop both renewable and
7 alternative energy resources to obtain environmental quality
8 and public health benefit; and

9 WHEREAS, The benefits of electricity from renewable and
10 alternative energy resources accrue to the public at large,
11 thus consumers and electric utilities and alternative retail
12 electric suppliers share an interest in developing and using a
13 significant level of these environmentally preferable
14 resources in the State's electricity supply portfolio and
15 stability of taxes for extended periods of time; and

16 WHEREAS, Encouraging energy efficiency will improve the
17 environmental quality and public health in the State of
18 Illinois; and

19 WHEREAS, Wind energy is one alternative energy source that
20 can be used to provide electricity to utility consumers; and

21 WHEREAS, Some regions in the State are ideal locations for
22 wind energy system development; and

23 WHEREAS, As the facilities are typically constructed on
24 property owned by others, it is desirable to create an
25 indemnity fund to pay for deconstruction in the event that the
26 wind energy company fails to do so in a timely manner; and

1 WHEREAS, It is appropriate to protect the owners of the
2 underlying lands from mechanic's liens imposed on those lands
3 in the event the entities constructing the wind energy
4 facilities fail to pay suppliers of labor and materials;
5 therefore, be it
6

7 **Be it enacted by the People of the State of Illinois,**
8 **represented in the General Assembly:**

9 Section 5. The Illinois Municipal Code is amended by
10 changing Sections 11-15.1-2.1, 11-74.4-3, and 11-74.4-7 as
11 follows:

12 (65 ILCS 5/11-15.1-2.1) (from Ch. 24, par. 11-15.1-2.1)

13 Sec. 11-15.1-2.1. Annexation agreement; municipal
14 jurisdiction.

15 (a) Property that is the subject of an annexation agreement
16 adopted under this Division is subject to the ordinances,
17 control, and jurisdiction of the annexing municipality in all
18 respects the same as property that lies within the annexing
19 municipality's corporate limits.

20 (b) This Section shall not apply in (i) a county with a
21 population of more than 3,000,000, (ii) a county that borders a
22 county with a population of more than 3,000,000 or (iii) a
23 county with a population of more than 246,000 according to the

1 1990 federal census and bordered by the Mississippi River,
2 unless the parties to the annexation agreement have, at the
3 time the agreement is signed, ownership or control of all
4 property that would make the property that is the subject of
5 the agreement contiguous to the annexing municipality, in which
6 case the property that is the subject of the annexation
7 agreement is subject to the ordinances, control, and
8 jurisdiction of the municipality in all respects the same as
9 property owned by the municipality that lies within its
10 corporate limits.

11 (c) The limitations of item (iii) of subsection (b) do not
12 apply to property that is the subject of an annexation
13 agreement adopted under this Division within one year after the
14 effective date of this amendatory Act of the 95th General
15 Assembly with a coterminous home rule municipality, as of June
16 1, 2007, that borders the Mississippi River, in a county with a
17 population in excess of 258,000, according to the 2000 federal
18 census, if all such agreements entered into by the municipality
19 pertain to parcels that comprise a contiguous area of not more
20 than 120 acres in the aggregate.

21 (Source: P.A. 87-1137.)

22 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

23 Sec. 11-74.4-3. Definitions. The following terms, wherever
24 used or referred to in this Division 74.4 shall have the
25 following respective meanings, unless in any case a different

1 meaning clearly appears from the context.

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

7 On and after November 1, 1999, "blighted area" means any
8 improved or vacant area within the boundaries of a
9 redevelopment project area located within the territorial
10 limits of the municipality where:

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

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

1 (B) Obsolescence. The condition or process of
2 falling into disuse. Structures have become ill-suited
3 for the original use.

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

15 (D) Presence of structures below minimum code
16 standards. All structures that do not meet the
17 standards of zoning, subdivision, building, fire, and
18 other governmental codes applicable to property, but
19 not including housing and property maintenance codes.

20 (E) Illegal use of individual structures. The use
21 of structures in violation of applicable federal,
22 State, or local laws, exclusive of those applicable to
23 the presence of structures below minimum code
24 standards.

25 (F) Excessive vacancies. The presence of buildings
26 that are unoccupied or under-utilized and that

1 represent an adverse influence on the area because of
2 the frequency, extent, or duration of the vacancies.

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

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

26 (I) Excessive land coverage and overcrowding of

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

19 (J) Deleterious land use or layout. The existence
20 of incompatible land-use relationships, buildings
21 occupied by inappropriate mixed-uses, or uses
22 considered to be noxious, offensive, or unsuitable for
23 the surrounding area.

24 (K) Environmental clean-up. The proposed
25 redevelopment project area has incurred Illinois
26 Environmental Protection Agency or United States

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

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

23 (M) The total equalized assessed value of the
24 proposed redevelopment project area has declined for 3
25 of the last 5 calendar years prior to the year in which
26 the redevelopment project area is designated or is

1 increasing at an annual rate that is less than the
2 balance of the municipality for 3 of the last 5
3 calendar years for which information is available or is
4 increasing at an annual rate that is less than the
5 Consumer Price Index for All Urban Consumers published
6 by the United States Department of Labor or successor
7 agency for 3 of the last 5 calendar years prior to the
8 year in which the redevelopment project area is
9 designated.

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

18 (A) Obsolete platting of vacant land that results
19 in parcels of limited or narrow size or configurations
20 of parcels of irregular size or shape that would be
21 difficult to develop on a planned basis and in a manner
22 compatible with contemporary standards and
23 requirements, or platting that failed to create
24 rights-of-ways for streets or alleys or that created
25 inadequate right-of-way widths for streets, alleys, or
26 other public rights-of-way or that omitted easements

1 for public utilities.

2 (B) Diversity of ownership of parcels of vacant
3 land sufficient in number to retard or impede the
4 ability to assemble the land for development.

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

8 (D) Deterioration of structures or site
9 improvements in neighboring areas adjacent to the
10 vacant land.

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

22 (F) The total equalized assessed value of the
23 proposed redevelopment project area has declined for 3
24 of the last 5 calendar years prior to the year in which
25 the redevelopment project area is designated or is
26 increasing at an annual rate that is less than the

1 balance of the municipality for 3 of the last 5
2 calendar years for which information is available or is
3 increasing at an annual rate that is less than the
4 Consumer Price Index for All Urban Consumers published
5 by the United States Department of Labor or successor
6 agency for 3 of the last 5 calendar years prior to the
7 year in which the redevelopment project area is
8 designated.

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

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

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

21 (C) The area, prior to its designation, is subject
22 to (i) chronic flooding that adversely impacts on real
23 property in the area as certified by a registered
24 professional engineer or appropriate regulatory agency
25 or (ii) surface water that discharges from all or a
26 part of the area and contributes to flooding within the

1 same watershed, but only if the redevelopment project
2 provides for facilities or improvements to contribute
3 to the alleviation of all or part of the flooding.

4 (D) The area consists of an unused or illegal
5 disposal site containing earth, stone, building
6 debris, or similar materials that were removed from
7 construction, demolition, excavation, or dredge sites.

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

19 (F) The area qualified as a blighted improved area
20 immediately prior to becoming vacant, unless there has
21 been substantial private investment in the immediately
22 surrounding area.

23 (b) For any redevelopment project area that has been
24 designated pursuant to this Section by an ordinance adopted
25 prior to November 1, 1999 (the effective date of Public Act
26 91-478), "conservation area" shall have the meaning set forth

1 in this Section prior to that date.

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

10 (1) Dilapidation. An advanced state of disrepair or
11 neglect of necessary repairs to the primary structural
12 components of buildings or improvements in such a
13 combination that a documented building condition analysis
14 determines that major repair is required or the defects are
15 so serious and so extensive that the buildings must be
16 removed.

17 (2) Obsolescence. The condition or process of falling
18 into disuse. Structures have become ill-suited for the
19 original use.

20 (3) Deterioration. With respect to buildings, defects
21 including, but not limited to, major defects in the
22 secondary building components such as doors, windows,
23 porches, gutters and downspouts, and fascia. With respect
24 to surface improvements, that the condition of roadways,
25 alleys, curbs, gutters, sidewalks, off-street parking, and
26 surface storage areas evidence deterioration, including,

1 but not limited to, surface cracking, crumbling, potholes,
2 depressions, loose paving material, and weeds protruding
3 through paved surfaces.

4 (4) Presence of structures below minimum code
5 standards. All structures that do not meet the standards of
6 zoning, subdivision, building, fire, and other
7 governmental codes applicable to property, but not
8 including housing and property maintenance codes.

9 (5) Illegal use of individual structures. The use of
10 structures in violation of applicable federal, State, or
11 local laws, exclusive of those applicable to the presence
12 of structures below minimum code standards.

13 (6) Excessive vacancies. The presence of buildings
14 that are unoccupied or under-utilized and that represent an
15 adverse influence on the area because of the frequency,
16 extent, or duration of the vacancies.

17 (7) Lack of ventilation, light, or sanitary
18 facilities. The absence of adequate ventilation for light
19 or air circulation in spaces or rooms without windows, or
20 that require the removal of dust, odor, gas, smoke, or
21 other noxious airborne materials. Inadequate natural light
22 and ventilation means the absence or inadequacy of
23 skylights or windows for interior spaces or rooms and
24 improper window sizes and amounts by room area to window
25 area ratios. Inadequate sanitary facilities refers to the
26 absence or inadequacy of garbage storage and enclosure,

1 bathroom facilities, hot water and kitchens, and
2 structural inadequacies preventing ingress and egress to
3 and from all rooms and units within a building.

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

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

1 adequate or proper access to a public right-of-way, lack of
2 reasonably required off-street parking, or inadequate
3 provision for loading and service.

4 (10) Deleterious land use or layout. The existence of
5 incompatible land-use relationships, buildings occupied by
6 inappropriate mixed-uses, or uses considered to be
7 noxious, offensive, or unsuitable for the surrounding
8 area.

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

21 (12) The area has incurred Illinois Environmental
22 Protection Agency or United States Environmental
23 Protection Agency remediation costs for, or a study
24 conducted by an independent consultant recognized as
25 having expertise in environmental remediation has
26 determined a need for, the clean-up of hazardous waste,

1 hazardous substances, or underground storage tanks
2 required by State or federal law, provided that the
3 remediation costs constitute a material impediment to the
4 development or redevelopment of the redevelopment project
5 area.

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

16 (c) "Industrial park" means an area in a blighted or
17 conservation area suitable for use by any manufacturing,
18 industrial, research or transportation enterprise, of
19 facilities to include but not be limited to factories, mills,
20 processing plants, assembly plants, packing plants,
21 fabricating plants, industrial distribution centers,
22 warehouses, repair overhaul or service facilities, freight
23 terminals, research facilities, test facilities or railroad
24 facilities.

25 (d) "Industrial park conservation area" means an area
26 within the boundaries of a redevelopment project area located

1 within the territorial limits of a municipality that is a labor
2 surplus municipality or within 1 1/2 miles of the territorial
3 limits of a municipality that is a labor surplus municipality
4 if the area is annexed to the municipality; which area is zoned
5 as industrial no later than at the time the municipality by
6 ordinance designates the redevelopment project area, and which
7 area includes both vacant land suitable for use as an
8 industrial park and a blighted area or conservation area
9 contiguous to such vacant land.

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

23 (f) "Municipality" shall mean a city, village,
24 incorporated town, or a township that is located in the
25 unincorporated portion of a county with 3 million or more
26 inhabitants, if the county adopted an ordinance that approved

1 the township's redevelopment plan.

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

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

16 (h) "Municipal Sales Tax Increment" means an amount equal
17 to the increase in the aggregate amount of taxes paid to a
18 municipality from the Local Government Tax Fund arising from
19 sales by retailers and servicemen within the redevelopment
20 project area or State Sales Tax Boundary, as the case may be,
21 for as long as the redevelopment project area or State Sales
22 Tax Boundary, as the case may be, exist over and above the
23 aggregate amount of taxes as certified by the Illinois
24 Department of Revenue and paid under the Municipal Retailers'
25 Occupation Tax Act and the Municipal Service Occupation Tax Act
26 by retailers and servicemen, on transactions at places of

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

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

21 (i) "Net State Sales Tax Increment" means the sum of the
22 following: (a) 80% of the first \$100,000 of State Sales Tax
23 Increment annually generated within a State Sales Tax Boundary;
24 (b) 60% of the amount in excess of \$100,000 but not exceeding
25 \$500,000 of State Sales Tax Increment annually generated within
26 a State Sales Tax Boundary; and (c) 40% of all amounts in

1 excess of \$500,000 of State Sales Tax Increment annually
2 generated within a State Sales Tax Boundary. If, however, a
3 municipality established a tax increment financing district in
4 a county with a population in excess of 3,000,000 before
5 January 1, 1986, and the municipality entered into a contract
6 or issued bonds after January 1, 1986, but before December 31,
7 1986, to finance redevelopment project costs within a State
8 Sales Tax Boundary, then the Net State Sales Tax Increment
9 means, for the fiscal years beginning July 1, 1990, and July 1,
10 1991, 100% of the State Sales Tax Increment annually generated
11 within a State Sales Tax Boundary; and notwithstanding any
12 other provision of this Act, for those fiscal years the
13 Department of Revenue shall distribute to those municipalities
14 100% of their Net State Sales Tax Increment before any
15 distribution to any other municipality and regardless of
16 whether or not those other municipalities will receive 100% of
17 their Net State Sales Tax Increment. For Fiscal Year 1999, and
18 every year thereafter until the year 2007, for any municipality
19 that has not entered into a contract or has not issued bonds
20 prior to June 1, 1988 to finance redevelopment project costs
21 within a State Sales Tax Boundary, the Net State Sales Tax
22 Increment shall be calculated as follows: By multiplying the
23 Net State Sales Tax Increment by 90% in the State Fiscal Year
24 1999; 80% in the State Fiscal Year 2000; 70% in the State
25 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
26 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%

1 in the State Fiscal Year 2005; 20% in the State Fiscal Year
2 2006; and 10% in the State Fiscal Year 2007. No payment shall
3 be made for State Fiscal Year 2008 and thereafter.

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

1 payment shall be made for State Fiscal Year 2008 and
2 thereafter. Refunding of any bonds issued prior to July 29,
3 1991, shall not alter the Net State Sales Tax Increment.

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

16 (k) "Net State Utility Tax Increment" means the sum of the
17 following: (a) 80% of the first \$100,000 of State Utility Tax
18 Increment annually generated by a redevelopment project area;
19 (b) 60% of the amount in excess of \$100,000 but not exceeding
20 \$500,000 of the State Utility Tax Increment annually generated
21 by a redevelopment project area; and (c) 40% of all amounts in
22 excess of \$500,000 of State Utility Tax Increment annually
23 generated by a redevelopment project area. For the State Fiscal
24 Year 1999, and every year thereafter until the year 2007, for
25 any municipality that has not entered into a contract or has
26 not issued bonds prior to June 1, 1988 to finance redevelopment

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

11 Municipalities that issue bonds in connection with the
12 redevelopment project during the period from June 1, 1988 until
13 3 years after the effective date of this Amendatory Act of 1988
14 shall receive the Net State Utility Tax Increment, subject to
15 appropriation, for 15 State Fiscal Years after the issuance of
16 such bonds. For the 16th through the 20th State Fiscal Years
17 after issuance of the bonds, the Net State Utility Tax
18 Increment shall be calculated as follows: By multiplying the
19 Net State Utility Tax Increment by 90% in year 16; 80% in year
20 17; 70% in year 18; 60% in year 19; and 50% in year 20.
21 Refunding of any bonds issued prior to June 1, 1988, shall not
22 alter the revised Net State Utility Tax Increment payments set
23 forth above.

24 (1) "Obligations" mean bonds, loans, debentures, notes,
25 special certificates or other evidence of indebtedness issued
26 by the municipality to carry out a redevelopment project or to

1 refund outstanding obligations.

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

14 (n) "Redevelopment plan" means the comprehensive program
15 of the municipality for development or redevelopment intended
16 by the payment of redevelopment project costs to reduce or
17 eliminate those conditions the existence of which qualified the
18 redevelopment project area as a "blighted area" or
19 "conservation area" or combination thereof or "industrial park
20 conservation area," and thereby to enhance the tax bases of the
21 taxing districts which extend into the redevelopment project
22 area. On and after November 1, 1999 (the effective date of
23 Public Act 91-478), no redevelopment plan may be approved or
24 amended that includes the development of vacant land (i) with a
25 golf course and related clubhouse and other facilities or (ii)
26 designated by federal, State, county, or municipal government

1 as public land for outdoor recreational activities or for
2 nature preserves and used for that purpose within 5 years prior
3 to the adoption of the redevelopment plan. For the purpose of
4 this subsection, "recreational activities" is limited to mean
5 camping and hunting. Each redevelopment plan shall set forth in
6 writing the program to be undertaken to accomplish the
7 objectives and shall include but not be limited to:

8 (A) an itemized list of estimated redevelopment
9 project costs;

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

13 (C) an assessment of any financial impact of the
14 redevelopment project area on or any increased demand for
15 services from any taxing district affected by the plan and
16 any program to address such financial impact or increased
17 demand;

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

19 (E) the nature and term of the obligations to be
20 issued;

21 (F) the most recent equalized assessed valuation of the
22 redevelopment project area;

23 (G) an estimate as to the equalized assessed valuation
24 after redevelopment and the general land uses to apply in
25 the redevelopment project area;

26 (H) a commitment to fair employment practices and an

1 affirmative action plan;

2 (I) if it concerns an industrial park conservation
3 area, the plan shall also include a general description of
4 any proposed developer, user and tenant of any property, a
5 description of the type, structure and general character of
6 the facilities to be developed, a description of the type,
7 class and number of new employees to be employed in the
8 operation of the facilities to be developed; and

9 (J) if property is to be annexed to the municipality,
10 the plan shall include the terms of the annexation
11 agreement.

12 The provisions of items (B) and (C) of this subsection (n)
13 shall not apply to a municipality that before March 14, 1994
14 (the effective date of Public Act 88-537) had fixed, either by
15 its corporate authorities or by a commission designated under
16 subsection (k) of Section 11-74.4-4, a time and place for a
17 public hearing as required by subsection (a) of Section
18 11-74.4-5. No redevelopment plan shall be adopted unless a
19 municipality complies with all of the following requirements:

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

25 (2) The municipality finds that the redevelopment plan
26 and project conform to the comprehensive plan for the

1 development of the municipality as a whole, or, for
2 municipalities with a population of 100,000 or more,
3 regardless of when the redevelopment plan and project was
4 adopted, the redevelopment plan and project either: (i)
5 conforms to the strategic economic development or
6 redevelopment plan issued by the designated planning
7 authority of the municipality, or (ii) includes land uses
8 that have been approved by the planning commission of the
9 municipality.

10 (3) The redevelopment plan establishes the estimated
11 dates of completion of the redevelopment project and
12 retirement of obligations issued to finance redevelopment
13 project costs. Those dates: shall not be later than
14 December 31 of the year in which the payment to the
15 municipal treasurer as provided in subsection (b) of
16 Section 11-74.4-8 of this Act is to be made with respect to
17 ad valorem taxes levied in the twenty-third calendar year
18 after the year in which the ordinance approving the
19 redevelopment project area is adopted if the ordinance was
20 adopted on or after January 15, 1981; shall not be later
21 than December 31 of the year in which the payment to the
22 municipal treasurer as provided in subsection (b) of
23 Section 11-74.4-8 of this Act is to be made with respect to
24 ad valorem taxes levied in the thirty-third calendar year
25 after the year in which the ordinance approving the
26 redevelopment project area if the ordinance was adopted on

1 May 20, 1985 by the Village of Wheeling; and shall not be
2 later than December 31 of the year in which the payment to
3 the municipal treasurer as provided in subsection (b) of
4 Section 11-74.4-8 of this Act is to be made with respect to
5 ad valorem taxes levied in the thirty-fifth calendar year
6 after the year in which the ordinance approving the
7 redevelopment project area is adopted:

8 (A) if the ordinance was adopted before January 15,
9 1981, or

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

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

15 (D) if the ordinance was adopted before January 1,
16 1987 by a municipality in Mason County, or

17 (E) if the municipality is subject to the Local
18 Government Financial Planning and Supervision Act or
19 the Financially Distressed City Law, or

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

22 (G) if the ordinance was adopted on December 31,
23 1986 by a municipality located in Clinton County for
24 which at least \$250,000 of tax increment bonds were
25 authorized on June 17, 1997, or if the ordinance was
26 adopted on December 31, 1986 by a municipality with a

1 population in 1990 of less than 3,600 that is located
2 in a county with a population in 1990 of less than
3 34,000 and for which at least \$250,000 of tax increment
4 bonds were authorized on June 17, 1997, or

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

8 (I) if the ordinance was adopted on November 12,
9 1991 by the Village of Sauget, or

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

12 (K) if the ordinance was adopted before December
13 18, 1986 by the City of Moline, or

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

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

18 (N) if the ordinance was adopted on December 29,
19 1986 by the City of Galva, or

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

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

24 (Q) if the ordinance was adopted on December 22,
25 1986 by the City of Aledo, or

26 (R) if the ordinance was adopted on February 5,

1 1990 by the City of Clinton, or
2 (S) if the ordinance was adopted on September 6,
3 1994 by the City of Freeport, or
4 (T) if the ordinance was adopted on December 22,
5 1986 by the City of Tuscola, or
6 (U) if the ordinance was adopted on December 23,
7 1986 by the City of Sparta, or
8 (V) if the ordinance was adopted on December 23,
9 1986 by the City of Beardstown, or
10 (W) if the ordinance was adopted on April 27, 1981,
11 October 21, 1985, or December 30, 1986 by the City of
12 Belleville, or
13 (X) if the ordinance was adopted on December 29,
14 1986 by the City of Collinsville, or
15 (Y) if the ordinance was adopted on September 14,
16 1994 by the City of Alton, or
17 (Z) if the ordinance was adopted on November 11,
18 1996 by the City of Lexington, or
19 (AA) if the ordinance was adopted on November 5,
20 1984 by the City of LeRoy, or
21 (BB) if the ordinance was adopted on April 3, 1991
22 or June 3, 1992 by the City of Markham, or
23 (CC) if the ordinance was adopted on November 11,
24 1986 by the City of Pekin, or
25 (DD) if the ordinance was adopted on December 15,
26 1981 by the City of Champaign, or

1 (EE) if the ordinance was adopted on December 15,
2 1986 by the City of Urbana, or

3 (FF) if the ordinance was adopted on December 15,
4 1986 by the Village of Heyworth, or

5 (GG) if the ordinance was adopted on February 24,
6 1992 by the Village of Heyworth, or

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

9 (II) if the ordinance was adopted on December 23,
10 1986 by the Town of Cicero, or

11 (JJ) if the ordinance was adopted on December 30,
12 1986 by the City of Effingham, or

13 (KK) if the ordinance was adopted on May 9, 1991 by
14 the Village of Tilton, or

15 (LL) if the ordinance was adopted on October 20,
16 1986 by the City of Elmhurst, or

17 (MM) if the ordinance was adopted on January 19,
18 1988 by the City of Waukegan, or

19 (NN) if the ordinance was adopted on September 21,
20 1998 by the City of Waukegan, or

21 (OO) if the ordinance was adopted on December 31,
22 1986 by the City of Sullivan, or

23 (PP) if the ordinance was adopted on December 23,
24 1991 by the City of Sullivan, or

25 (QQ) if the ordinance was adopted on December 31,
26 1986 by the City of Oglesby, or

1 (RR) if the ordinance was adopted on July 28, 1987
2 by the City of Marion, or

3 (SS) if the ordinance was adopted on April 23, 1990
4 by the City of Marion, or

5 (TT) if the ordinance was adopted on August 20,
6 1985 by the Village of Mount Prospect, or

7 (UU) if the ordinance was adopted on February 2,
8 1998 by the Village of Woodhull, or

9 (VV) if the ordinance was adopted on April 20, 1993
10 by the Village of Princeville, or

11 (WW) if the ordinance was adopted on July 1, 1986
12 by the City of Granite City, or

13 (XX) if the ordinance was adopted on February 2,
14 1989 by the Village of Lombard, or

15 (YY) if the ordinance was adopted on December 29,
16 1986 by the Village of Gardner, or

17 (ZZ) if the ordinance was adopted on July 14, 1999
18 by the Village of Paw Paw, or

19 (AAA) if the ordinance was adopted on November 17,
20 1986 by the Village of Franklin Park, or

21 (BBB) if the ordinance was adopted on November 20,
22 1989 by the Village of South Holland, or

23 (CCC) if the ordinance was adopted on July 14, 1992
24 by the Village of Riverdale, ~~or~~

25 (DDD) if the ordinance was adopted on December 31,
26 1986 by the Village of Milan, or

1 (EEE) if the ordinance was adopted on September 8,
2 1994 by the City of West Frankfort.

3 However, for redevelopment project areas for which
4 bonds were issued before July 29, 1991, or for which
5 contracts were entered into before June 1, 1988, in
6 connection with a redevelopment project in the area within
7 the State Sales Tax Boundary, the estimated dates of
8 completion of the redevelopment project and retirement of
9 obligations to finance redevelopment project costs may be
10 extended by municipal ordinance to December 31, 2013. The
11 termination procedures of subsection (b) of Section
12 11-74.4-8 are not required for these redevelopment project
13 areas in 2009 but are required in 2013. The extension
14 allowed by this amendatory Act of 1993 shall not apply to
15 real property tax increment allocation financing under
16 Section 11-74.4-8.

17 A municipality may by municipal ordinance amend an
18 existing redevelopment plan to conform to this paragraph
19 (3) as amended by Public Act 91-478, which municipal
20 ordinance may be adopted without further hearing or notice
21 and without complying with the procedures provided in this
22 Act pertaining to an amendment to or the initial approval
23 of a redevelopment plan and project and designation of a
24 redevelopment project area.

25 Those dates, for purposes of real property tax
26 increment allocation financing pursuant to Section

1 11-74.4-8 only, shall be not more than 35 years for
2 redevelopment project areas that were adopted on or after
3 December 16, 1986 and for which at least \$8 million worth
4 of municipal bonds were authorized on or after December 19,
5 1989 but before January 1, 1990; provided that the
6 municipality elects to extend the life of the redevelopment
7 project area to 35 years by the adoption of an ordinance
8 after at least 14 but not more than 30 days' written notice
9 to the taxing bodies, that would otherwise constitute the
10 joint review board for the redevelopment project area,
11 before the adoption of the ordinance.

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

26 (3.5) The municipality finds, in the case of an

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

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

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

1 Section 11-74.4-5, a housing impact study.

2 Part I of the housing impact study shall include (i)
3 data as to whether the residential units are single family
4 or multi-family units, (ii) the number and type of rooms
5 within the units, if that information is available, (iii)
6 whether the units are inhabited or uninhabited, as
7 determined not less than 45 days before the date that the
8 ordinance or resolution required by subsection (a) of
9 Section 11-74.4-5 is passed, and (iv) data as to the racial
10 and ethnic composition of the residents in the inhabited
11 residential units. The data requirement as to the racial
12 and ethnic composition of the residents in the inhabited
13 residential units shall be deemed to be fully satisfied by
14 data from the most recent federal census.

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

1 relocation assistance to be provided.

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

5 (7) On and after November 1, 1999, no redevelopment
6 plan shall be adopted, nor an existing plan amended, nor
7 shall residential housing that is occupied by households of
8 low-income and very low-income persons in currently
9 existing redevelopment project areas be removed after
10 November 1, 1999 unless the redevelopment plan provides,
11 with respect to inhabited housing units that are to be
12 removed for households of low-income and very low-income
13 persons, affordable housing and relocation assistance not
14 less than that which would be provided under the federal
15 Uniform Relocation Assistance and Real Property
16 Acquisition Policies Act of 1970 and the regulations under
17 that Act, including the eligibility criteria. Affordable
18 housing may be either existing or newly constructed
19 housing. For purposes of this paragraph (7), "low-income
20 households", "very low-income households", and "affordable
21 housing" have the meanings set forth in the Illinois
22 Affordable Housing Act. The municipality shall make a good
23 faith effort to ensure that this affordable housing is
24 located in or near the redevelopment project area within
25 the municipality.

26 (8) On and after November 1, 1999, if, after the

1 adoption of the redevelopment plan for the redevelopment
2 project area, any municipality desires to amend its
3 redevelopment plan to remove more inhabited residential
4 units than specified in its original redevelopment plan,
5 that change shall be made in accordance with the procedures
6 in subsection (c) of Section 11-74.4-5.

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

21 (o) "Redevelopment project" means any public and private
22 development project in furtherance of the objectives of a
23 redevelopment plan. On and after November 1, 1999 (the
24 effective date of Public Act 91-478), no redevelopment plan may
25 be approved or amended that includes the development of vacant
26 land (i) with a golf course and related clubhouse and other

1 facilities or (ii) designated by federal, State, county, or
2 municipal government as public land for outdoor recreational
3 activities or for nature preserves and used for that purpose
4 within 5 years prior to the adoption of the redevelopment plan.
5 For the purpose of this subsection, "recreational activities"
6 is limited to mean camping and hunting.

7 (p) "Redevelopment project area" means an area designated
8 by the municipality, which is not less in the aggregate than 1
9 1/2 acres and in respect to which the municipality has made a
10 finding that there exist conditions which cause the area to be
11 classified as an industrial park conservation area or a
12 blighted area or a conservation area, or a combination of both
13 blighted areas and conservation areas.

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

19 (1) Costs of studies, surveys, development of plans,
20 and specifications, implementation and administration of
21 the redevelopment plan including but not limited to staff
22 and professional service costs for architectural,
23 engineering, legal, financial, planning or other services,
24 provided however that no charges for professional services
25 may be based on a percentage of the tax increment
26 collected; except that on and after November 1, 1999 (the

1 effective date of Public Act 91-478), no contracts for
2 professional services, excluding architectural and
3 engineering services, may be entered into if the terms of
4 the contract extend beyond a period of 3 years. In
5 addition, "redevelopment project costs" shall not include
6 lobbying expenses. After consultation with the
7 municipality, each tax increment consultant or advisor to a
8 municipality that plans to designate or has designated a
9 redevelopment project area shall inform the municipality
10 in writing of any contracts that the consultant or advisor
11 has entered into with entities or individuals that have
12 received, or are receiving, payments financed by tax
13 increment revenues produced by the redevelopment project
14 area with respect to which the consultant or advisor has
15 performed, or will be performing, service for the
16 municipality. This requirement shall be satisfied by the
17 consultant or advisor before the commencement of services
18 for the municipality and thereafter whenever any other
19 contracts with those individuals or entities are executed
20 by the consultant or advisor;

21 (1.5) After July 1, 1999, annual administrative costs
22 shall not include general overhead or administrative costs
23 of the municipality that would still have been incurred by
24 the municipality if the municipality had not designated a
25 redevelopment project area or approved a redevelopment
26 plan;

1 (1.6) The cost of marketing sites within the
2 redevelopment project area to prospective businesses,
3 developers, and investors;

4 (2) Property assembly costs, including but not limited
5 to acquisition of land and other property, real or
6 personal, or rights or interests therein, demolition of
7 buildings, site preparation, site improvements that serve
8 as an engineered barrier addressing ground level or below
9 ground environmental contamination, including, but not
10 limited to parking lots and other concrete or asphalt
11 barriers, and the clearing and grading of land;

12 (3) Costs of rehabilitation, reconstruction or repair
13 or remodeling of existing public or private buildings,
14 fixtures, and leasehold improvements; and the cost of
15 replacing an existing public building if pursuant to the
16 implementation of a redevelopment project the existing
17 public building is to be demolished to use the site for
18 private investment or devoted to a different use requiring
19 private investment;

20 (4) Costs of the construction of public works or
21 improvements, except that on and after November 1, 1999,
22 redevelopment project costs shall not include the cost of
23 constructing a new municipal public building principally
24 used to provide offices, storage space, or conference
25 facilities or vehicle storage, maintenance, or repair for
26 administrative, public safety, or public works personnel

1 and that is not intended to replace an existing public
2 building as provided under paragraph (3) of subsection (q)
3 of Section 11-74.4-3 unless either (i) the construction of
4 the new municipal building implements a redevelopment
5 project that was included in a redevelopment plan that was
6 adopted by the municipality prior to November 1, 1999 or
7 (ii) the municipality makes a reasonable determination in
8 the redevelopment plan, supported by information that
9 provides the basis for that determination, that the new
10 municipal building is required to meet an increase in the
11 need for public safety purposes anticipated to result from
12 the implementation of the redevelopment plan;

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

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

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

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

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

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

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

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

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

25 (iii) for secondary school districts with a
26 district average 1995-96 Per Capita Tuition Charge

1 of less than \$5,900, no more than 8% of the total
2 amount of property tax increment revenue produced
3 by those housing units that have received tax
4 increment finance assistance under this Act.

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

26 (i) for unit school districts, no more than 40%

1 of the total amount of property tax increment
2 revenue produced by those housing units that have
3 received tax increment finance assistance under
4 this Act;

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

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

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

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

23 (ii) the amount reimbursable shall be reduced
24 by the value of any land donated to the school
25 district by the municipality or developer, and by
26 the value of any physical improvements made to the

1 schools by the municipality or developer; and
2 (iii) the amount reimbursed may not affect
3 amounts otherwise obligated by the terms of any
4 bonds, notes, or other funding instruments, or the
5 terms of any redevelopment agreement.

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

22 (7.7) For redevelopment project areas designated (or
23 redevelopment project areas amended to add or increase the
24 number of tax-increment-financing assisted housing units)
25 on or after January 1, 2005 (the effective date of Public
26 Act 93-961), a public library district's increased costs

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

19 The amount paid to a library district under this
20 paragraph (7.7) shall be calculated by multiplying (i) the
21 net increase in the number of persons eligible to obtain a
22 library card in that district who reside in housing units
23 within the redevelopment project area that have received
24 financial assistance through an agreement with the
25 municipality or because the municipality incurs the cost of
26 necessary infrastructure improvements within the

1 boundaries of the housing sites necessary for the
2 completion of that housing as authorized by this Act since
3 the designation of the redevelopment project area by (ii)
4 the per-patron cost of providing library services so long
5 as it does not exceed \$120. The per-patron cost shall be
6 the Total Operating Expenditures Per Capita as stated in
7 the most recent Illinois Public Library Statistics
8 produced by the Library Research Center at the University
9 of Illinois. The municipality may deduct from the amount
10 that it must pay to a library district under this paragraph
11 any amount that it has voluntarily paid to the library
12 district from the tax increment revenue. The amount paid to
13 a library district under this paragraph (7.7) shall be no
14 more than 2% of the amount produced by the assisted housing
15 units and deposited into the Special Tax Allocation Fund.

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

22 Any library district seeking payment under this
23 paragraph (7.7) shall, after July 1 and before September 30
24 of each year, provide the municipality with convincing
25 evidence to support its claim for reimbursement before the
26 municipality shall be required to approve or make the

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

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

16 (9) Payment in lieu of taxes;

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

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

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

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

21 (B) such payments in any one year may not exceed
22 30% of the annual interest costs incurred by the
23 redeveloper with regard to the redevelopment project
24 during that year;

25 (C) if there are not sufficient funds available in
26 the special tax allocation fund to make the payment

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

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

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

18 (F) Instead of the eligible costs provided by
19 subparagraphs (B) and (D) of paragraph (11), as
20 modified by this subparagraph, and notwithstanding any
21 other provisions of this Act to the contrary, the
22 municipality may pay from tax increment revenues up to
23 50% of the cost of construction of new housing units to
24 be occupied by low-income households and very
25 low-income households as defined in Section 3 of the
26 Illinois Affordable Housing Act. The cost of

1 construction of those units may be derived from the
2 proceeds of bonds issued by the municipality under this
3 Act or other constitutional or statutory authority or
4 from other sources of municipal revenue that may be
5 reimbursed from tax increment revenues or the proceeds
6 of bonds issued to finance the construction of that
7 housing.

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

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

20 (11.5) If the redevelopment project area is located
21 within a municipality with a population of more than
22 100,000, the cost of day care services for children of
23 employees from low-income families working for businesses
24 located within the redevelopment project area and all or a
25 portion of the cost of operation of day care centers
26 established by redevelopment project area businesses to

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

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

13 (13) After November 1, 1999 (the effective date of
14 Public Act 91-478), none of the redevelopment project costs
15 enumerated in this subsection shall be eligible
16 redevelopment project costs if those costs would provide
17 direct financial support to a retail entity initiating
18 operations in the redevelopment project area while
19 terminating operations at another Illinois location within
20 10 miles of the redevelopment project area but outside the
21 boundaries of the redevelopment project area municipality.
22 For purposes of this paragraph, termination means a closing
23 of a retail operation that is directly related to the
24 opening of the same operation or like retail entity owned
25 or operated by more than 50% of the original ownership in a
26 redevelopment project area, but it does not mean closing an

1 operation for reasons beyond the control of the retail
2 entity, as documented by the retail entity, subject to a
3 reasonable finding by the municipality that the current
4 location contained inadequate space, had become
5 economically obsolete, or was no longer a viable location
6 for the retailer or serviceman.

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

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

21 (s) "State Sales Tax Increment" means an amount equal to
22 the increase in the aggregate amount of taxes paid by retailers
23 and servicemen, other than retailers and servicemen subject to
24 the Public Utilities Act, on transactions at places of business
25 located within a State Sales Tax Boundary pursuant to the
26 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use

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

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

1 Initial Sales Tax Amounts. Municipalities intending to receive
2 a distribution of State Sales Tax Increment must report a list
3 of retailers to the Department of Revenue by October 31, 1988
4 and by July 31, of each year thereafter.

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

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

15 (v) As used in subsection (a) of Section 11-74.4-3 of this
16 Act, "vacant land" means any parcel or combination of parcels
17 of real property without industrial, commercial, and
18 residential buildings which has not been used for commercial
19 agricultural purposes within 5 years prior to the designation
20 of the redevelopment project area, unless the parcel is
21 included in an industrial park conservation area or the parcel
22 has been subdivided; provided that if the parcel was part of a
23 larger tract that has been divided into 3 or more smaller
24 tracts that were accepted for recording during the period from
25 1950 to 1990, then the parcel shall be deemed to have been
26 subdivided, and all proceedings and actions of the municipality

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

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

23 (Source: P.A. 94-260, eff. 7-19-05; 94-268, eff. 7-19-05;
24 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-702, eff.
25 6-1-06; 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; 94-778, eff.
26 5-19-06; 94-782, eff. 5-19-06; 94-783, eff. 5-19-06; 94-810,

1 eff. 5-26-06; 94-903, eff. 6-22-06; 94-1091, eff. 1-26-07;
2 94-1092, eff. 1-26-07; 95-15, eff. 7-16-07.)

3 (65 ILCS 5/11-74.4-7) (from Ch. 24, par. 11-74.4-7)

4 Sec. 11-74.4-7. Obligations secured by the special tax
5 allocation fund set forth in Section 11-74.4-8 for the
6 redevelopment project area may be issued to provide for
7 redevelopment project costs. Such obligations, when so issued,
8 shall be retired in the manner provided in the ordinance
9 authorizing the issuance of such obligations by the receipts of
10 taxes levied as specified in Section 11-74.4-9 against the
11 taxable property included in the area, by revenues as specified
12 by Section 11-74.4-8a and other revenue designated by the
13 municipality. A municipality may in the ordinance pledge all or
14 any part of the funds in and to be deposited in the special tax
15 allocation fund created pursuant to Section 11-74.4-8 to the
16 payment of the redevelopment project costs and obligations. Any
17 pledge of funds in the special tax allocation fund shall
18 provide for distribution to the taxing districts and to the
19 Illinois Department of Revenue of moneys not required, pledged,
20 earmarked, or otherwise designated for payment and securing of
21 the obligations and anticipated redevelopment project costs
22 and such excess funds shall be calculated annually and deemed
23 to be "surplus" funds. In the event a municipality only applies
24 or pledges a portion of the funds in the special tax allocation
25 fund for the payment or securing of anticipated redevelopment

1 project costs or of obligations, any such funds remaining in
2 the special tax allocation fund after complying with the
3 requirements of the application or pledge, shall also be
4 calculated annually and deemed "surplus" funds. All surplus
5 funds in the special tax allocation fund shall be distributed
6 annually within 180 days after the close of the municipality's
7 fiscal year by being paid by the municipal treasurer to the
8 County Collector, to the Department of Revenue and to the
9 municipality in direct proportion to the tax incremental
10 revenue received as a result of an increase in the equalized
11 assessed value of property in the redevelopment project area,
12 tax incremental revenue received from the State and tax
13 incremental revenue received from the municipality, but not to
14 exceed as to each such source the total incremental revenue
15 received from that source. The County Collector shall
16 thereafter make distribution to the respective taxing
17 districts in the same manner and proportion as the most recent
18 distribution by the county collector to the affected districts
19 of real property taxes from real property in the redevelopment
20 project area.

21 Without limiting the foregoing in this Section, the
22 municipality may in addition to obligations secured by the
23 special tax allocation fund pledge for a period not greater
24 than the term of the obligations towards payment of such
25 obligations any part or any combination of the following: (a)
26 net revenues of all or part of any redevelopment project; (b)

1 taxes levied and collected on any or all property in the
2 municipality; (c) the full faith and credit of the
3 municipality; (d) a mortgage on part or all of the
4 redevelopment project; or (e) any other taxes or anticipated
5 receipts that the municipality may lawfully pledge.

6 Such obligations may be issued in one or more series
7 bearing interest at such rate or rates as the corporate
8 authorities of the municipality shall determine by ordinance.
9 Such obligations shall bear such date or dates, mature at such
10 time or times not exceeding 20 years from their respective
11 dates, be in such denomination, carry such registration
12 privileges, be executed in such manner, be payable in such
13 medium of payment at such place or places, contain such
14 covenants, terms and conditions, and be subject to redemption
15 as such ordinance shall provide. Obligations issued pursuant to
16 this Act may be sold at public or private sale at such price as
17 shall be determined by the corporate authorities of the
18 municipalities. No referendum approval of the electors shall be
19 required as a condition to the issuance of obligations pursuant
20 to this Division except as provided in this Section.

21 In the event the municipality authorizes issuance of
22 obligations pursuant to the authority of this Division secured
23 by the full faith and credit of the municipality, which
24 obligations are other than obligations which may be issued
25 under home rule powers provided by Article VII, Section 6 of
26 the Illinois Constitution, or pledges taxes pursuant to (b) or

1 (c) of the second paragraph of this section, the ordinance
2 authorizing the issuance of such obligations or pledging such
3 taxes shall be published within 10 days after such ordinance
4 has been passed in one or more newspapers, with general
5 circulation within such municipality. The publication of the
6 ordinance shall be accompanied by a notice of (1) the specific
7 number of voters required to sign a petition requesting the
8 question of the issuance of such obligations or pledging taxes
9 to be submitted to the electors; (2) the time in which such
10 petition must be filed; and (3) the date of the prospective
11 referendum. The municipal clerk shall provide a petition form
12 to any individual requesting one.

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

1 county clerk of each county in which any portion of the
2 municipality is situated, and shall constitute the authority
3 for the extension and collection of the taxes to be deposited
4 in the special tax allocation fund.

5 A municipality may also issue its obligations to refund in
6 whole or in part, obligations theretofore issued by such
7 municipality under the authority of this Act, whether at or
8 prior to maturity, provided however, that the last maturity of
9 the refunding obligations shall not be expressed to mature
10 later than December 31 of the year in which the payment to the
11 municipal treasurer as provided in subsection (b) of Section
12 11-74.4-8 of this Act is to be made with respect to ad valorem
13 taxes levied in the twenty-third calendar year after the year
14 in which the ordinance approving the redevelopment project area
15 is adopted if the ordinance was adopted on or after January 15,
16 1981, not later than December 31 of the year in which the
17 payment to the municipal treasurer as provided in subsection
18 (b) of Section 11-74.4-8 of this Act is to be made with respect
19 to ad valorem taxes levied in the thirty-third calendar year
20 after the year in which the ordinance approving the
21 redevelopment project area if the ordinance was adopted on May
22 20, 1985 by the Village of Wheeling, and not later than
23 December 31 of the year in which the payment to the municipal
24 treasurer as provided in subsection (b) of Section 11-74.4-8 of
25 this Act is to be made with respect to ad valorem taxes levied
26 in the thirty-fifth calendar year after the year in which the

1 ordinance approving the redevelopment project area is adopted
2 (A) if the ordinance was adopted before January 15, 1981, or
3 (B) if the ordinance was adopted in December 1983, April 1984,
4 July 1985, or December 1989, or (C) if the ordinance was
5 adopted in December, 1987 and the redevelopment project is
6 located within one mile of Midway Airport, or (D) if the
7 ordinance was adopted before January 1, 1987 by a municipality
8 in Mason County, or (E) if the municipality is subject to the
9 Local Government Financial Planning and Supervision Act or the
10 Financially Distressed City Law, or (F) if the ordinance was
11 adopted in December 1984 by the Village of Rosemont, or (G) if
12 the ordinance was adopted on December 31, 1986 by a
13 municipality located in Clinton County for which at least
14 \$250,000 of tax increment bonds were authorized on June 17,
15 1997, or if the ordinance was adopted on December 31, 1986 by a
16 municipality with a population in 1990 of less than 3,600 that
17 is located in a county with a population in 1990 of less than
18 34,000 and for which at least \$250,000 of tax increment bonds
19 were authorized on June 17, 1997, or (H) if the ordinance was
20 adopted on October 5, 1982 by the City of Kankakee, or (I) if
21 the ordinance was adopted on December 29, 1986 by East St.
22 Louis, or if the ordinance was adopted on November 12, 1991 by
23 the Village of Sauget, or (J) if the ordinance was adopted on
24 February 11, 1985 by the City of Rock Island, or (K) if the
25 ordinance was adopted before December 18, 1986 by the City of
26 Moline, or (L) if the ordinance was adopted in September 1988

1 by Sauk Village, or (M) if the ordinance was adopted in October
2 1993 by Sauk Village, or (N) if the ordinance was adopted on
3 December 29, 1986 by the City of Galva, or (O) if the ordinance
4 was adopted in March 1991 by the City of Centreville, or (P) if
5 the ordinance was adopted on January 23, 1991 by the City of
6 East St. Louis, or (Q) if the ordinance was adopted on December
7 22, 1986 by the City of Aledo, or (R) if the ordinance was
8 adopted on February 5, 1990 by the City of Clinton, or (S) if
9 the ordinance was adopted on September 6, 1994 by the City of
10 Freeport, or (T) if the ordinance was adopted on December 22,
11 1986 by the City of Tuscola, or (U) if the ordinance was
12 adopted on December 23, 1986 by the City of Sparta, or (V) if
13 the ordinance was adopted on December 23, 1986 by the City of
14 Beardstown, or (W) if the ordinance was adopted on April 27,
15 1981, October 21, 1985, or December 30, 1986 by the City of
16 Belleville, or (X) if the ordinance was adopted on December 29,
17 1986 by the City of Collinsville, or (Y) if the ordinance was
18 adopted on September 14, 1994 by the City of Alton, or (Z) if
19 the ordinance was adopted on November 11, 1996 by the City of
20 Lexington, or (AA) if the ordinance was adopted on November 5,
21 1984 by the City of LeRoy, or (BB) if the ordinance was adopted
22 on April 3, 1991 or June 3, 1992 by the City of Markham, or (CC)
23 if the ordinance was adopted on November 11, 1986 by the City
24 of Pekin, or (DD) if the ordinance was adopted on December 15,
25 1981 by the City of Champaign, or (EE) if the ordinance was
26 adopted on December 15, 1986 by the City of Urbana, or (FF) if

1 the ordinance was adopted on December 15, 1986 by the Village
2 of Heyworth, or (GG) if the ordinance was adopted on February
3 24, 1992 by the Village of Heyworth, or (HH) if the ordinance
4 was adopted on March 16, 1995 by the Village of Heyworth, or
5 (II) if the ordinance was adopted on December 23, 1986 by the
6 Town of Cicero, or (JJ) if the ordinance was adopted on
7 December 30, 1986 by the City of Effingham, or (KK) if the
8 ordinance was adopted on May 9, 1991 by the Village of Tilton,
9 or (LL) if the ordinance was adopted on October 20, 1986 by the
10 City of Elmhurst, or (MM) if the ordinance was adopted on
11 January 19, 1988 by the City of Waukegan, or (NN) if the
12 ordinance was adopted on September 21, 1998 by the City of
13 Waukegan, or (OO) if the ordinance was adopted on December 31,
14 1986 by the City of Sullivan, or (PP) if the ordinance was
15 adopted on December 23, 1991 by the City of Sullivan, or (QQ)
16 if the ordinance was adopted on December 31, 1986 by the City
17 of Oglesby, or (RR) if the ordinance was adopted on July 28,
18 1987 by the City of Marion, or (SS) if the ordinance was
19 adopted on April 23, 1990 by the City of Marion, or (TT) if the
20 ordinance was adopted on August 20, 1985 by the Village of
21 Mount Prospect, or (UU) if the ordinance was adopted on
22 February 2, 1998 by the Village of Woodhull, or (VV) if the
23 ordinance was adopted on April 20, 1993 by the Village of
24 Princeville, or (WW) if the ordinance was adopted on July 1,
25 1986 by the City of Granite City, or (XX) if the ordinance was
26 adopted on February 2, 1989 by the Village of Lombard, or (YY)

1 if the ordinance was adopted on December 29, 1986 by the
2 Village of Gardner, or (ZZ) if the ordinance was adopted on
3 July 14, 1999 by the Village of Paw Paw, or (AAA) if the
4 ordinance was adopted on November 17, 1986 by the Village of
5 Franklin Park, or (BBB) if the ordinance was adopted on
6 November 20, 1989 by the Village of South Holland, or (CCC) if
7 the ordinance was adopted on July 14, 1992 by the Village of
8 Riverdale, or (DDD) if the ordinance was adopted on December
9 31, 1986 by the Village of Milan, or (EEE) if the ordinance was
10 adopted on September 8, 1994 by the City of West Frankfort and,
11 for redevelopment project areas for which bonds were issued
12 before July 29, 1991, in connection with a redevelopment
13 project in the area within the State Sales Tax Boundary and
14 which were extended by municipal ordinance under subsection (n)
15 of Section 11-74.4-3, the last maturity of the refunding
16 obligations shall not be expressed to mature later than the
17 date on which the redevelopment project area is terminated or
18 December 31, 2013, whichever date occurs first.

19 In the event a municipality issues obligations under home
20 rule powers or other legislative authority the proceeds of
21 which are pledged to pay for redevelopment project costs, the
22 municipality may, if it has followed the procedures in
23 conformance with this division, retire said obligations from
24 funds in the special tax allocation fund in amounts and in such
25 manner as if such obligations had been issued pursuant to the
26 provisions of this division.

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

5 (Source: P.A. 94-260, eff. 7-19-05; 94-297, eff. 7-21-05;
6 94-302, eff. 7-21-05; 94-702, eff. 6-1-06; 94-704, eff.
7 12-5-05; 94-711, eff. 6-1-06; 94-778, eff. 5-19-06; 94-782,
8 eff. 5-19-06; 94-783, eff. 5-19-06; 94-810, eff. 5-26-06;
9 94-903, eff. 6-22-06; 94-1091, eff. 1-26-07; 94-1092, eff.
10 1-26-07; 95-15, eff. 7-16-07.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.