

1 AN ACT concerning counties.

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

4 Section 5. The County Economic Development Project Area  
5 Property Tax Allocation Act is amended by changing Sections 4  
6 and 5 as follows:

7 (55 ILCS 85/4) (from Ch. 34, par. 7004)

8 Sec. 4. Establishment of economic development project  
9 area; ordinance; joint review board; notice; hearing; changes  
10 in economic development plan; annual reporting requirements.  
11 Economic development project areas shall be established as  
12 follows:

13 (a) The corporate authorities of Whiteside County may by  
14 ordinance propose the establishment of an economic development  
15 project area and fix a time and place for a public hearing, and  
16 shall submit a certified copy of the ordinance as adopted to  
17 the Department.

18 (a-5) After the effective date of this amendatory Act of  
19 the 93rd General Assembly, the corporate authorities of  
20 Stephenson County may by ordinance propose the establishment of  
21 an economic development project area and fix a time and place  
22 for a public hearing, and shall submit a certified copy of the  
23 ordinance as adopted to the Department.

24 (b) Any county which adopts an ordinance which fixes a  
25 date, time and place for a public hearing shall convene a joint  
26 review board as hereinafter provided. Not less than 45 days  
27 prior to the date fixed for the public hearing, the county  
28 shall give notice by mailing to the chief executive officer of  
29 each affected taxing district having taxable property included  
30 in the proposed economic development project area and, if the  
31 ordinance is adopted by Stephenson County, the chief executive  
32 officer of any municipality within Stephenson County having a

1 population of more than 20,000 that such chief executive  
2 officer or his designee is invited to participate in a joint  
3 review board. The designee shall serve at the discretion of the  
4 chief executive officer of the taxing district for a term not  
5 to exceed 2 years. Such notice shall advise each chief  
6 executive officer of the date, time and place of the first  
7 meeting of such joint review board, which shall occur not less  
8 than 30 days prior to the date of the public hearing. Such  
9 notice by mail shall be given by depositing such notice in the  
10 United States Postal Service by certified mail.

11 At or prior to the first meeting of such joint review board  
12 the county shall furnish to any member of such joint review  
13 board copies of the proposed economic development plan and any  
14 related documents which such member shall reasonably request. A  
15 majority of the members of such joint review board present at  
16 any meeting shall constitute a quorum. Additional meetings may  
17 be called by any member of a joint review board upon the giving  
18 of notice not less than 72 hours prior to the date of any  
19 additional meeting to all members of the joint review board.  
20 The joint review board shall review such information and  
21 material as its members reasonably deem relevant to the  
22 county's proposals to approve economic development plans and  
23 economic development projects and to designate economic  
24 development project areas. The county shall provide such  
25 information and material promptly upon the request of the joint  
26 review board and may also provide administrative support and  
27 facilities as the joint review board may reasonably require.

28 Within 30 days of its first meeting, a joint review board  
29 shall provide the county with a written report of its review of  
30 any proposal to approve an economic development plan and  
31 economic development project and to designate an economic  
32 development project area. Such written report shall include  
33 such information and advisory, nonbinding recommendations as a  
34 majority of the members of the joint review board shall deem  
35 relevant. Written reports of joint review boards may include  
36 information and advisory, nonbinding recommendations provided

1 by a minority of the members thereof. Any joint review board  
2 which does not provide such written report within such 30-day  
3 period shall be deemed to have recommended that the county  
4 proceed with a proposal to approve an economic development plan  
5 and economic development project and to designate an economic  
6 development project area.

7 (c) Notice of the public hearing shall be given by  
8 publication and mailing.

9 (1) Notice by publication shall be given by publication  
10 at least twice, the first publication to be not more than  
11 30 nor less than 10 days prior to the hearing in a  
12 newspaper of general circulation within the taxing  
13 districts having property in the proposed economic  
14 development project area. Notice by mailing shall be given  
15 by depositing such notice together with a copy of the  
16 proposed economic development plan in the United States  
17 Postal Service by certified mail addressed to the person or  
18 persons in whose name the general taxes for the last  
19 preceding year were paid on each lot, block, tract, or  
20 parcel of land lying within the proposed economic  
21 development project area. The notice shall be mailed not  
22 less than 10 days prior to the dates set for the public  
23 hearing. In the event taxes for the last preceding year  
24 were not paid, the notice shall also be sent to the persons  
25 last listed on the tax rolls within the preceding 3 years  
26 as the owners of the property.

27 (2) The notices issued pursuant to this Section shall  
28 include the following:

29 (A) The time and place of public hearing;

30 (B) The boundaries of the proposed economic  
31 development project area by legal description and by  
32 street location where possible;

33 (C) A notification that all interested persons  
34 will be given an opportunity to be heard at the public  
35 hearing;

36 (D) An invitation for any person to submit

1 alternative proposals or bids for any proposed  
2 conveyance, lease, mortgage or other disposition of  
3 land within the proposed economic development project  
4 area;

5 (E) A description of the economic development plan  
6 or economic development project if a plan or project is  
7 a subject matter of the hearing; and

8 (F) Such other matters as the county may deem  
9 appropriate.

10 (3) Not less than 45 days prior to the date set for  
11 hearing, the county shall give notice by mail as provided  
12 in this subsection (c) to all taxing districts of which  
13 taxable property is included in the economic development  
14 project area, and to the Department. In addition to the  
15 other requirements under this subsection (c), the notice  
16 shall include an invitation to the Department and each  
17 taxing district to submit comments to the county concerning  
18 the subject matter of the hearing prior to the date of the  
19 hearing.

20 (d) At the public hearing any interested person, the  
21 Department or any affected taxing district may file written  
22 objections with the county clerk and may be heard orally with  
23 respect to any issues embodied in the notice. The county shall  
24 hear and determine all alternate proposals or bids for any  
25 proposed conveyance, lease, mortgage or other disposition of  
26 land and all protests and objections at the hearing, and the  
27 hearing may be adjourned to another date without further notice  
28 other than a motion to be entered upon the minutes fixing the  
29 time and place of the adjourned hearing. Public hearings with  
30 regard to an economic development plan, economic development  
31 project area, or economic development project may be held  
32 simultaneously.

33 (e) At the public hearing, or at any time prior to the  
34 adoption by the county of an ordinance approving an economic  
35 development plan, the county may make changes in the economic  
36 development plan. Changes which (1) alter the exterior

1 boundaries of the proposed economic development project area,  
2 (2) substantially affect the general land uses established in  
3 the proposed economic development plan, (3) substantially  
4 change the nature of the proposed economic development plan,  
5 (4) change the general description of any proposed developer,  
6 user or tenant of any property to be located or improved within  
7 the economic development project area, or (5) change the  
8 description of the type, class and number of employees to be  
9 employed in the operation of the facilities to be developed or  
10 improved within the economic development project area shall be  
11 made only after review by joint review board, notice and  
12 hearing pursuant to the procedures set forth in this Section.  
13 Changes which do not (1) alter the exterior boundaries of a  
14 proposed economic development project area, (2) substantially  
15 affect the general land uses established in the proposed plan,  
16 (3) substantially change the nature of the proposed economic  
17 development plan, (4) change the general description of any  
18 proposed developer, user or tenant of any property to be  
19 located or improved within the economic development project  
20 area, or (5) change the description of the type, class and  
21 number of employees to be employed in the operation of the  
22 facilities to be developed or improved within the economic  
23 development project area may be made without further notice or  
24 hearing, provided that the county shall give notice of its  
25 changes by mail to the Department and to each affected taxing  
26 district and by publication in a newspaper or newspapers of  
27 general circulation with the affected taxing districts. Such  
28 notice by mail and by publication shall each occur not later  
29 than 10 days following the adoption by ordinance of such  
30 changes.

31 (f) At any time within 90 days of the final adjournment of  
32 the public hearing, a county may, by ordinance, approve the  
33 economic development plan, establish the economic development  
34 project area, and authorize property tax allocation financing  
35 for such economic development project area.

36 Any ordinance adopted by Whiteside County which approves

1 the economic development plan shall contain findings that the  
2 economic development project is reasonably expected to create  
3 or retain not less than 500 full-time equivalent jobs, that  
4 private investment in an amount not less than \$25,000,000 is  
5 reasonably expected to occur in the economic development  
6 project area, that the economic development project will  
7 encourage the increase of commerce and industry within the  
8 State, thereby reducing the evils attendant upon unemployment  
9 and increasing opportunities for personal income, and that the  
10 economic development project will increase or maintain the  
11 property, sales and income tax bases of the county and of the  
12 State.

13 Any ordinance adopted by Stephenson County that approves an  
14 economic development plan shall contain findings that (i) the  
15 economic development project is reasonably expected to create  
16 or retain not less than 500 full-time equivalent jobs; (ii)  
17 private investment in an amount not less than \$10,000,000 is  
18 reasonably expected to occur in the economic development area;  
19 (iii) the economic development project will encourage the  
20 increase of commerce and industry within the State, thereby  
21 reducing the evils attendant upon unemployment and increasing  
22 opportunities for personal income; and (iv) the economic  
23 development project will increase or maintain the property,  
24 sales, and income tax bases of the county and of the State.  
25 Before the economic development project area is established by  
26 Stephenson County, the following additional conditions must be  
27 included in an intergovernmental agreement approved by both the  
28 Stephenson County Board and the corporate authorities of the  
29 City of Freeport: (i) the corporate authorities of the City of  
30 Freeport must concur by resolution with the findings of  
31 Stephenson County; (ii) both the corporate authorities of the  
32 City of Freeport and the Stephenson County Board shall approve  
33 any and all economic or redevelopment agreements and incentives  
34 for any economic development project within the economic  
35 development area; (iii) any economic development project that  
36 receives funds under this Act, except for any economic

1 development project specifically excluded from annexation in  
2 the provisions of the intergovernmental agreement, shall agree  
3 to and must enter into an annexation agreement with the City of  
4 Freeport to annex property included in the economic development  
5 project area to the City of Freeport at the first point in time  
6 that the property becomes contiguous to the City of Freeport;  
7 (iv) the local share of all State occupation and use taxes  
8 allocable to the City of Freeport and Stephenson County and  
9 derived from commercial projects within the economic  
10 development project area shall be equally shared by and between  
11 the City of Freeport and Stephenson County for the duration of  
12 the economic development project; and (v) any development in  
13 the economic development project area shall be built in  
14 accordance with the building and related codes of both the City  
15 of Freeport and Stephenson County and the City of Freeport  
16 shall approve all provisions for water and sewer service.

17 The ordinance shall also state that the economic  
18 development project area shall not include parcels to be used  
19 for purposes of residential development. Any ordinance adopted  
20 which establishes an economic development project area shall  
21 contain the boundaries of such area by legal description and,  
22 where possible, by street location. Any ordinance adopted which  
23 authorizes property tax allocation financing shall provide  
24 that the ad valorem taxes, if any, arising from the levies upon  
25 taxable real property in such economic development project area  
26 by taxing districts and tax rates determined in the manner  
27 provided in subsection (b) of Section 6 of this Act each year  
28 after the effective date of the ordinance until economic  
29 development project costs and all county obligations financing  
30 economic development project costs incurred under this Act have  
31 been paid shall be divided as follows:

32 (1) That portion of taxes levied upon each taxable lot,  
33 block, tract or parcel of real property which is  
34 attributable to the lower of the current equalized assessed  
35 value or the initial equalized assessed value of each such  
36 taxable lot, block, tract or parcel of real property in the

1 economic development project area shall be allocated to,  
2 and when collected, shall be paid by the county collector  
3 to the respective affected taxing districts in the manner  
4 required by law in the absence of the adoption of property  
5 tax allocation financing.

6 (2) That portion, if any, of such taxes which is  
7 attributable to the increase in the current equalized  
8 assessed valuation of each taxable lot, block, tract or  
9 parcel of real property in the economic development project  
10 area over and above the initial equalized assessed value of  
11 each property in the economic development project area  
12 shall be allocated to and when collected shall be paid to  
13 the county treasurer who shall deposit those taxes into a  
14 special fund called the special tax allocation fund of the  
15 county for the purpose of paying economic development  
16 project costs and obligations incurred in the payment  
17 thereof.

18 (g) After a county has by ordinance approved an economic  
19 development plan and established an economic development  
20 project area, the plan may be amended and the boundaries of the  
21 area may be altered only as herein provided. Amendments which  
22 (1) alter the exterior boundaries of an economic development  
23 project area, (2) substantially affect the general land uses  
24 established pursuant to the economic development plan, (3)  
25 substantially change the nature of the economic development  
26 plan, (4) change the general description of any proposed  
27 developer, user, or tenant of any property to be located or  
28 improved within the economic development project area, or (5)  
29 change the description of the type, class and number of  
30 employees to be employed in the operation of the facilities to  
31 be developed or improved shall be made only after review by a  
32 joint review board, notice and hearing pursuant to the  
33 procedures set forth in this Section. Amendments which do not  
34 (1) alter the exterior boundaries of an economic development  
35 project area, (2) substantially affect the general land uses  
36 established in the economic development plan, (3)



1 substantially change the nature of the economic development  
2 plan, (4) change the description of any proposed developer,  
3 user, or tenant of any property to be located or improved  
4 within the economic development project area, or (5) change the  
5 description of the type, class and number of employees to be  
6 employed in the operation of the facilities to be developed or  
7 improved within the economic development project area may be  
8 made without further hearing or notice, provided that the  
9 county shall give notice of any amendment by mail to the  
10 Department and to each taxing district and by publication in a  
11 newspaper or newspapers of general circulation within the  
12 affected taxing districts. Such notices by mail and by  
13 publication shall each occur not later than 10 days following  
14 the adoption by ordinance of such amendments.

15 (h) After the adoption of an ordinance adopting property  
16 tax allocation financing for an economic development project  
17 area, the county shall annually report to each taxing district  
18 having taxable property within such economic development  
19 project area (i) any increase or decrease in the equalized  
20 assessed value of the real property located within such  
21 economic development project area above or below the initial  
22 equalized assessed value of such real property, (ii) that  
23 portion, if any, of the ad valorem taxes arising from the  
24 levies upon taxable real property in such economic development  
25 project area by the taxing districts which is attributable to  
26 the increase in the current equalized assessed valuation of  
27 each lot, block, tract or parcel of real property in the  
28 economic development project area over and above the initial  
29 equalized value of each property and which has been allocated  
30 to the county in the current year, and (iii) such other  
31 information as the county may deem relevant.

32 (i) The county shall give notice by mail as provided in  
33 this Section and shall reconvene the joint review board not  
34 less than annually for each of the 2 years following its  
35 adoption of an ordinance adopting property tax allocation  
36 financing for an economic development project area and not less

1 than once in each 3-year period thereafter. The county shall  
2 provide such information, and may provide administrative  
3 support and facilities as the joint review board may reasonably  
4 require for each of such meetings.

5 (Source: P.A. 92-791, eff. 8-6-02.)

6 (55 ILCS 85/5) (from Ch. 34, par. 7005)

7 Sec. 5. Submission to Department; certification by  
8 Department.

9 (a) The county shall submit certified copies of any  
10 ordinances adopted approving a proposed economic development  
11 plan, establishing an economic development project area, and  
12 authorizing tax increment allocation financing to the  
13 Department, together with (1) a map of the economic development  
14 project area, (2) a copy of the economic development plan as  
15 approved, (3) an analysis, and any supporting documents and  
16 statistics, demonstrating (i) that the economic development  
17 project is reasonably expected to create or retain not less  
18 than 500 full-time equivalent jobs and (ii) that private  
19 investment in the amount of not less than \$25,000,000 for all  
20 ordinances adopted by Whiteside County and in the amount of not  
21 less than \$10,000,000 for any ordinance adopted by Stephenson  
22 County is reasonably expected to occur in the economic  
23 development project area, (4) an estimate of the economic  
24 impact of the economic development plan and the use of property  
25 tax allocation financing upon the revenues of the county and  
26 the affected taxing districts, (5) a record of all public  
27 hearings held in connection with the establishment of the  
28 economic development project area, and (6) such other  
29 information as the Department by regulation may require.

30 (b) Upon receipt of an application from a county the  
31 Department shall review the application to determine whether  
32 the economic development project area qualifies as an economic  
33 development project area under this Act. At its discretion, the  
34 Department may accept or reject the application or may request  
35 such additional information as it deems necessary or advisable

1 to aid its review. If any such area is found to be qualified to  
2 be an economic development project area, the Department shall  
3 approve and certify such economic development project area and  
4 shall provide written notice of its approval and certification  
5 to the county and to the county clerk. In determining whether  
6 an economic development project area shall be approved and  
7 certified, the Department shall consider (1) whether, without  
8 public intervention, the State would suffer substantial  
9 economic dislocation, such as relocation of a commercial  
10 business or industrial or manufacturing facility to another  
11 state, territory or country, or would not otherwise benefit  
12 from private investment offering substantial employment  
13 opportunities and economic growth, and (2) the impact on the  
14 revenues of the county and the affected taxing districts of the  
15 use of tax increment allocation financing in connection with  
16 the economic development project.

17 (c) On or before July 1, 2007 ~~2006~~, the Department shall  
18 submit to the General Assembly a report detailing the number of  
19 economic development project areas it has approved and  
20 certified, the number and type of jobs created or retained  
21 therein, the aggregate amount of private investment therein,  
22 the impact in the revenues of counties and affected taxing  
23 districts of the use of property tax allocation financing  
24 therein, and such additional information as the Department may  
25 determine to be relevant. On July 1, 2008 the authority granted  
26 hereunder to counties to establish economic development  
27 project areas and to adopt property tax allocation financing in  
28 connection therewith and to the Department to approve and  
29 certify economic development project areas shall expire unless  
30 the General Assembly shall have authorized counties and the  
31 Department to continue to exercise the powers granted to them  
32 under this Act.

33 (Source: P.A. 92-791, eff. 8-6-02.)

34 Section 99. Effective date. This Act takes effect upon  
35 becoming law.