



Sen. Toi W. Hutchinson

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1 AMENDMENT TO HOUSE BILL 1076

2 AMENDMENT NO. _____. Amend House Bill 1076, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The County Economic Development Project Area
6 Property Tax Allocation Act is amended by changing Section 3 as
7 follows:

8 (55 ILCS 85/3) (from Ch. 34, par. 7003)

9 Sec. 3. Definitions. In this Act, words or terms shall have
10 the following meanings unless the context usage clearly
11 indicates that another meaning is intended.

12 (a) "Department" means the Department of Commerce and
13 Economic Opportunity.

14 (b) "Economic development plan" means the written plan of a
15 county which sets forth an economic development program for an
16 economic development project area. Each economic development

1 plan shall include but not be limited to (1) estimated economic
2 development project costs, (2) the sources of funds to pay such
3 costs, (3) the nature and term of any obligations to be issued
4 by the county to pay such costs, (4) the most recent equalized
5 assessed valuation of the economic development project area,
6 (5) an estimate of the equalized assessed valuation of the
7 economic development project area after completion of the
8 economic development plan, (6) the estimated date of completion
9 of any economic development project proposed to be undertaken,
10 (7) a general description of any proposed developer, user, or
11 tenant of any property to be located or improved within the
12 economic development project area, (8) a description of the
13 type, structure and general character of the facilities to be
14 developed or improved in the economic development project area,
15 (9) a description of the general land uses to apply in the
16 economic development project area, (10) a description of the
17 type, class and number of employees to be employed in the
18 operation of the facilities to be developed or improved in the
19 economic development project area and (11) a commitment by the
20 county to fair employment practices and an affirmative action
21 plan with respect to any economic development program to be
22 undertaken by the county. The economic development plan for an
23 economic development project area authorized by subsection
24 (a-15) of Section 4 of this Act must additionally include (1)
25 evidence indicating that the redevelopment project area on the
26 whole has not been subject to growth and development through

1 investment by private enterprise and is not reasonably expected
2 to be subject to such growth and development without the
3 assistance provided through the implementation of the economic
4 development plan and (2) evidence that portions of the economic
5 development project area have incurred Illinois Environmental
6 Protection Agency or United States Environmental Protection
7 Agency remediation costs for, or a study conducted by an
8 independent consultant recognized as having expertise in
9 environmental remediation has determined a need for, the
10 clean-up of hazardous waste, hazardous substances, or
11 underground storage tanks required by State or federal law,
12 provided that the remediation costs constitute a material
13 impediment to the development or redevelopment of the project
14 area.

15 (c) "Economic development project" means any development
16 project in furtherance of the objectives of this Act.

17 (d) "Economic development project area" means any improved
18 or vacant area which is located within the corporate limits of
19 a county and which (1) is within the unincorporated area of
20 such county, or, with the consent of any affected municipality,
21 is located partially within the unincorporated area of such
22 county and partially within one or more municipalities, (2) is
23 contiguous, (3) is not less in the aggregate than 100 acres
24 and, for an economic development project area authorized by
25 subsection (a-15) of Section 4 of this Act, not more than 2,000
26 acres, (4) is suitable for siting by any commercial,

1 manufacturing, industrial, research or transportation
2 enterprise of facilities to include but not be limited to
3 commercial businesses, offices, factories, mills, processing
4 plants, assembly plants, packing plants, fabricating plants,
5 industrial or commercial distribution centers, warehouses,
6 repair overhaul or service facilities, freight terminals,
7 research facilities, test facilities or transportation
8 facilities, whether or not such area has been used at any time
9 for such facilities and whether or not the area has been used
10 or is suitable for such facilities and whether or not the area
11 has been used or is suitable for other uses, including
12 commercial agricultural purposes, and (5) which has been
13 certified by the Department pursuant to this Act.

14 (e) "Economic development project costs" means and
15 includes the sum total of all reasonable or necessary costs
16 incurred by a county incidental to an economic development
17 project, including, without limitation, the following:

18 (1) Costs of studies, surveys, development of plans and
19 specifications, implementation and administration of an
20 economic development plan, personnel and professional
21 service costs for architectural, engineering, legal,
22 marketing, financial, planning, sheriff, fire, public
23 works or other services, provided that no charges for
24 professional services may be based on a percentage of
25 incremental tax revenue;

26 (2) Property assembly costs within an economic

1 development project area, including but not limited to
2 acquisition of land and other real or personal property or
3 rights or interests therein, and specifically including
4 payments to developers or other non-governmental persons
5 as reimbursement for property assembly costs incurred by
6 such developer or other non-governmental person;

7 (3) Site preparation costs, including but not limited
8 to clearance of any area within an economic development
9 project area by demolition or removal of any existing
10 buildings, structures, fixtures, utilities and
11 improvements and clearing and grading; site improvement
12 addressing ground level or below ground environmental
13 contamination; and including installation, repair,
14 construction, reconstruction, or relocation of public
15 streets, public utilities, and other public site
16 improvements within or without an economic development
17 project area which are essential to the preparation of the
18 economic development project area for use in accordance
19 with an economic development plan; and specifically
20 including payments to developers or other non-governmental
21 persons as reimbursement for site preparation costs
22 incurred by such developer or non-governmental person;

23 (4) Costs of renovation, rehabilitation,
24 reconstruction, relocation, repair or remodeling of any
25 existing buildings, improvements, and fixtures within an
26 economic development project area, and specifically

1 including payments to developers or other non-governmental
2 persons as reimbursement for such costs incurred by such
3 developer or non-governmental person;

4 (5) Costs of construction within an economic
5 development project area of public improvements, including
6 but not limited to, buildings, structures, works,
7 improvements, utilities or fixtures;

8 (6) Financing costs, including but not limited to all
9 necessary and incidental expenses related to the issuance
10 of obligations, payment of any interest on any obligations
11 issued hereunder which accrues during the estimated period
12 of construction of any economic development project for
13 which such obligations are issued and for not exceeding 36
14 months thereafter, and any reasonable reserves related to
15 the issuance of such obligations;

16 (7) All or a portion of a taxing district's capital
17 costs resulting from an economic development project
18 necessarily incurred or estimated to be incurred by a
19 taxing district in the furtherance of the objectives of an
20 economic development project, to the extent that the county
21 by written agreement accepts, approves and agrees to incur
22 or to reimburse such costs;

23 (8) Relocation costs to the extent that a county
24 determines that relocation costs shall be paid or is
25 required to make payment of relocation costs by federal or
26 State law;

1 (9) The estimated tax revenues from real property in an
2 economic development project area acquired by a county
3 which, according to the economic development plan, is to be
4 used for a private use and which any taxing district would
5 have received had the county not adopted property tax
6 allocation financing for an economic development project
7 area and which would result from such taxing district's
8 levies made after the time of the adoption by the county of
9 property tax allocation financing to the time the current
10 equalized assessed value of real property in the economic
11 development project area exceeds the total initial
12 equalized value of real property in that area;

13 (10) Costs of rebating ad valorem taxes paid by any
14 developer or other nongovernmental person in whose name the
15 general taxes were paid for the last preceding year on any
16 lot, block, tract or parcel of land in the economic
17 development project area, provided that:

18 (i) such economic development project area is
19 located in an enterprise zone created pursuant to the
20 Illinois Enterprise Zone Act. This provision does not
21 apply to economic development project areas that are
22 located in Grundy County;

23 (ii) such ad valorem taxes shall be rebated only in
24 such amounts and for such tax year or years as the
25 county and any one or more affected taxing districts
26 shall have agreed by prior written agreement. This

1 provision does not apply to economic development
2 project areas that are located in Grundy County;

3 (iii) any amount of rebate of taxes shall not
4 exceed the portion, if any, of taxes levied by the
5 county or such taxing district or districts which is
6 attributable to the increase in the current equalized
7 assessed valuation of each taxable lot, block, tract or
8 parcel of real property in the economic development
9 project area over and above the initial equalized
10 assessed value of each property existing at the time
11 property tax allocation financing was adopted for said
12 economic development project area; and

13 (iv) costs of rebating ad valorem taxes shall be
14 paid by a county solely from the special tax allocation
15 fund established pursuant to this Act and shall be paid
16 from the proceeds of any obligations issued by a
17 county.

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

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

16 (12) Private financing costs incurred by developers or
17 other non-governmental persons in connection with an
18 economic development project, and specifically including
19 payments to developers or other non-governmental persons
20 as reimbursement for such costs incurred by such developer
21 or other non-governmental persons provided that:

22 (A) private financing costs shall be paid or
23 reimbursed by a county only pursuant to the prior
24 official action of the county evidencing an intent to
25 pay such private financing costs;

26 (B) except as provided in subparagraph (D) of this

1 Section, the aggregate amount of such costs paid or
2 reimbursed by a county in any one year shall not exceed
3 30% of such costs paid or incurred by such developer or
4 other non-governmental person in that year;

5 (C) private financing costs shall be paid or
6 reimbursed by a county solely from the special tax
7 allocation fund established pursuant to this Act and
8 shall not be paid or reimbursed from the proceeds of
9 any obligations issued by a county;

10 (D) if there are not sufficient funds available in
11 the special tax allocation fund in any year to make
12 such payment or reimbursement in full, any amount of
13 such private financing costs remaining to be paid or
14 reimbursed by a county shall accrue and be payable when
15 funds are available in the special tax allocation fund
16 to make such payment; and

17 (E) in connection with its approval and
18 certification of an economic development project
19 pursuant to Section 5 of this Act, the Department shall
20 review any agreement authorizing the payment or
21 reimbursement by a county of private financing costs in
22 its consideration of the impact on the revenues of the
23 county and the affected taxing districts of the use of
24 property tax allocation financing.

25 (f) "Obligations" means any instrument evidencing the
26 obligation of a county to pay money, including without

1 limitation, bonds, notes, installment or financing contracts,
2 certificates, tax anticipation warrants or notes, vouchers,
3 and any other evidence of indebtedness.

4 (g) "Taxing districts" means municipalities, townships,
5 counties, and school, road, park, sanitary, mosquito
6 abatement, forest preserve, public health, fire protection,
7 river conservancy, tuberculosis sanitarium and any other
8 county corporations or districts with the power to levy taxes
9 on real property.

10 (Source: P.A. 96-1262, eff. 7-26-10.)

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