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09400HB4793ham001

LRB094 17041 BDD 55799 a

1 AMENDMENT TO HOUSE BILL 4793

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4793 by replacing  
3 everything after the enacting clause with the following:

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

6 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)  
7 (Text of Section before amendment by P.A. 94-702 and  
8 94-711)

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

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

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

22 (1) If improved, industrial, commercial, and  
23 residential buildings or improvements are detrimental to  
24 the public safety, health, or welfare because of a

1 combination of 5 or more of the following factors, each of  
2 which is (i) present, with that presence documented, to a  
3 meaningful extent so that a municipality may reasonably  
4 find that the factor is clearly present within the intent  
5 of the Act and (ii) reasonably distributed throughout the  
6 improved part of the redevelopment project area:

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

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

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

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

33 (E) Illegal use of individual structures. The use  
34 of structures in violation of applicable federal,

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

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

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

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

31 (I) Excessive land coverage and overcrowding of  
32 structures and community facilities. The  
33 over-intensive use of property and the crowding of  
34 buildings and accessory facilities onto a site.

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

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

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

33 (L) Lack of community planning. The proposed  
34 redevelopment project area was developed prior to or

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

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

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

33 (A) Obsolete platting of vacant land that results  
34 in parcels of limited or narrow size or configurations

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

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

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

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

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

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

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

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

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

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

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

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

33 (E) Prior to November 1, 1999, the area is not less  
34 than 50 nor more than 100 acres and 75% of which is

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

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

14           (b) For any redevelopment project area that has been  
15           designated pursuant to this Section by an ordinance adopted  
16           prior to November 1, 1999 (the effective date of Public Act  
17           91-478), "conservation area" shall have the meaning set forth  
18           in this Section prior to that date.

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

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

34           (2) Obsolescence. The condition or process of falling



1 into disuse. Structures have become ill-suited for the  
2 original use.

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

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

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

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

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

1 absence or inadequacy of garbage storage and enclosure,  
2 bathroom facilities, hot water and kitchens, and  
3 structural inadequacies preventing ingress and egress to  
4 and from all rooms and units within a building.

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

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

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

1 area.

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

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

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

1 (c) "Industrial park" means an area in a blighted or  
2 conservation area suitable for use by any manufacturing,  
3 industrial, research or transportation enterprise, of  
4 facilities to include but not be limited to factories, mills,  
5 processing plants, assembly plants, packing plants,  
6 fabricating plants, industrial distribution centers,  
7 warehouses, repair overhaul or service facilities, freight  
8 terminals, research facilities, test facilities or railroad  
9 facilities.

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

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

34 (f) "Municipality" shall mean a city, village,

1 incorporated town, or a township that is located in the  
2 unincorporated portion of a county with 3 million or more  
3 inhabitants, if the county adopted an ordinance that approved  
4 the township's redevelopment plan.

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

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

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

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

1 Tax Amounts as appropriate. For every State Fiscal Year  
2 thereafter, the applicable period shall be the 12 months  
3 beginning July 1 and ending June 30 to determine the tax  
4 amounts received which shall have deducted therefrom the  
5 certified Initial Sales Tax Amounts, the Adjusted Initial Sales  
6 Tax Amounts or the Revised Initial Sales Tax Amounts, as the  
7 case may be.

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

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

9 Municipalities that issued bonds in connection with a  
10 redevelopment project in a redevelopment project area within  
11 the State Sales Tax Boundary prior to July 29, 1991, or that  
12 entered into contracts in connection with a redevelopment  
13 project in a redevelopment project area before June 1, 1988,  
14 shall continue to receive their proportional share of the  
15 Illinois Tax Increment Fund distribution until the date on  
16 which the redevelopment project is completed or terminated. If,  
17 however, a municipality that issued bonds in connection with a  
18 redevelopment project in a redevelopment project area within  
19 the State Sales Tax Boundary prior to July 29, 1991 retires the  
20 bonds prior to June 30, 2007 or a municipality that entered  
21 into contracts in connection with a redevelopment project in a  
22 redevelopment project area before June 1, 1988 completes the  
23 contracts prior to June 30, 2007, then so long as the  
24 redevelopment project is not completed or is not terminated,  
25 the Net State Sales Tax Increment shall be calculated,  
26 beginning on the date on which the bonds are retired or the  
27 contracts are completed, as follows: By multiplying the Net  
28 State Sales Tax Increment by 60% in the State Fiscal Year 2002;  
29 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year  
30 2004; 30% in the State Fiscal Year 2005; 20% in the State  
31 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No  
32 payment shall be made for State Fiscal Year 2008 and  
33 thereafter. Refunding of any bonds issued prior to July 29,  
34 1991, shall not alter the Net State Sales Tax Increment.



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

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

34 Municipalities that issue bonds in connection with the

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

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

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

29 (n) "Redevelopment plan" means the comprehensive program  
30 of the municipality for development or redevelopment intended  
31 by the payment of redevelopment project costs to reduce or  
32 eliminate those conditions the existence of which qualified the  
33 redevelopment project area as a "blighted area" or  
34 "conservation area" or combination thereof or "industrial park

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

15 (A) an itemized list of estimated redevelopment  
16 project costs;

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

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

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

26 (E) the nature and term of the obligations to be  
27 issued;

28 (F) the most recent equalized assessed valuation of the  
29 redevelopment project area;

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

33 (H) a commitment to fair employment practices and an  
34 affirmative action plan;

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

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

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

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

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

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

25                 (A) if the ordinance was adopted before January 15,  
26                 1981, or

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

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

32                 (D) if the ordinance was adopted before January 1,  
33                 1987 by a municipality in Mason County, or

34                 (E) if the municipality is subject to the Local

1 Government Financial Planning and Supervision Act or  
2 the Financially Distressed City Law, or

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

5 (G) if the ordinance was adopted on December 31,  
6 1986 by a municipality located in Clinton County for  
7 which at least \$250,000 of tax increment bonds were  
8 authorized on June 17, 1997, or if the ordinance was  
9 adopted on December 31, 1986 by a municipality with a  
10 population in 1990 of less than 3,600 that is located  
11 in a county with a population in 1990 of less than  
12 34,000 and for which at least \$250,000 of tax increment  
13 bonds were authorized on June 17, 1997, or

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

17 (I) if the ordinance was adopted on November 12,  
18 1991 by the Village of Sauget, or

19 (J) if the ordinance was adopted on February 11,  
20 1985 by the City of Rock Island, or

21 (K) if the ordinance was adopted before December  
22 18, 1986 by the City of Moline, or

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

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

27 (N) if the ordinance was adopted on December 29,  
28 1986 by the City of Galva, or

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

31 (P) if the ordinance was adopted on January 23,  
32 1991 by the City of East St. Louis, or

33 (Q) if the ordinance was adopted on December 22,  
34 1986 by the City of Aledo, or

1 (R) if the ordinance was adopted on February 5,  
2 1990 by the City of Clinton, or

3 (S) if the ordinance was adopted on September 6,  
4 1994 by the City of Freeport, or

5 (T) if the ordinance was adopted on December 22,  
6 1986 by the City of Tuscola, or

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

9 (V) if the ordinance was adopted on December 23,  
10 1986 by the City of Beardstown, or

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

14 (X) if the ordinance was adopted on December 29,  
15 1986 by the City of Collinsville, or

16 (Y) if the ordinance was adopted on September 14,  
17 1994 by the City of Alton, or

18 (Z) if the ordinance was adopted on November 11,  
19 1996 by the City of Lexington, or

20 (AA) if the ordinance was adopted on November 5,  
21 1984 by the City of LeRoy, or

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

24 (CC) if the ordinance was adopted on November 11,  
25 1986 by the City of Pekin, or

26 (DD) if the ordinance was adopted on December 15,  
27 1981 by the City of Champaign, or

28 (EE) if the ordinance was adopted on December 15,  
29 1986 by the City of Urbana, or

30 (FF) if the ordinance was adopted on December 15,  
31 1986 by the Village of Heyworth, or

32 (GG) if the ordinance was adopted on February 24,  
33 1992 by the Village of Heyworth, or

34 (HH) if the ordinance was adopted on March 16, 1995

1 by the Village of Heyworth, or

2 (II) if the ordinance was adopted on December 23,  
3 1986 by the Town of Cicero, or

4 (JJ) if the ordinance was adopted on December 30,  
5 1986 by the City of Effingham, or

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

8 (LL) if the ordinance was adopted on October 20,  
9 1986 by the City of Elmhurst, or

10 (MM) if the ordinance was adopted on January 19,  
11 1988 by the City of Waukegan, or

12 (NN) if the ordinance was adopted on September 21,  
13 1998 by the City of Waukegan, or

14 (OO) if the ordinance was adopted on December 31,  
15 1986 by the City of Sullivan, or

16 (PP) if the ordinance was adopted on December 23,  
17 1991 by the City of Sullivan, or

18 (QQ) ~~(OO)~~ if the ordinance was adopted on December  
19 31, 1986 by the City of Oglesby, or

20 (RR) ~~(OO)~~ if the ordinance was adopted on July 28,  
21 1987 by the City of Marion, or

22 (SS) ~~(PP)~~ if the ordinance was adopted on April 23,  
23 1990 by the City of Marion, or

24 (TT) if the ordinance was adopted on July 14, 1999  
25 by the Village of Paw Paw.

26 However, for redevelopment project areas for which  
27 bonds were issued before July 29, 1991, or for which  
28 contracts were entered into before June 1, 1988, in  
29 connection with a redevelopment project in the area within  
30 the State Sales Tax Boundary, the estimated dates of  
31 completion of the redevelopment project and retirement of  
32 obligations to finance redevelopment project costs may be  
33 extended by municipal ordinance to December 31, 2013. The  
34 termination procedures of subsection (b) of Section



1 11-74.4-8 are not required for these redevelopment project  
2 areas in 2009 but are required in 2013. The extension  
3 allowed by this amendatory Act of 1993 shall not apply to  
4 real property tax increment allocation financing under  
5 Section 11-74.4-8.

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

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

27 Those dates, for purposes of real property tax  
28 increment allocation financing pursuant to Section  
29 11-74.4-8 only, shall be not more than 35 years for  
30 redevelopment project areas that were established on or  
31 after December 1, 1981 but before January 1, 1982 and for  
32 which at least \$1,500,000 worth of tax increment revenue  
33 bonds were authorized on or after September 30, 1990 but  
34 before July 1, 1991; provided that the municipality elects

1 to extend the life of the redevelopment project area to 35  
2 years by the adoption of an ordinance after at least 14 but  
3 not more than 30 days' written notice to the taxing bodies,  
4 that would otherwise constitute the joint review board for  
5 the redevelopment project area, before the adoption of the  
6 ordinance.

7 (3.5) The municipality finds, in the case of an  
8 industrial park conservation area, also that the  
9 municipality is a labor surplus municipality and that the  
10 implementation of the redevelopment plan will reduce  
11 unemployment, create new jobs and by the provision of new  
12 facilities enhance the tax base of the taxing districts  
13 that extend into the redevelopment project area.

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

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

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

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

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

30 (7) On and after November 1, 1999, no redevelopment  
31 plan shall be adopted, nor an existing plan amended, nor  
32 shall residential housing that is occupied by households of  
33 low-income and very low-income persons in currently  
34 existing redevelopment project areas be removed after

1 November 1, 1999 unless the redevelopment plan provides,  
2 with respect to inhabited housing units that are to be  
3 removed for households of low-income and very low-income  
4 persons, affordable housing and relocation assistance not  
5 less than that which would be provided under the federal  
6 Uniform Relocation Assistance and Real Property  
7 Acquisition Policies Act of 1970 and the regulations under  
8 that Act, including the eligibility criteria. Affordable  
9 housing may be either existing or newly constructed  
10 housing. For purposes of this paragraph (7), "low-income  
11 households", "very low-income households", and "affordable  
12 housing" have the meanings set forth in the Illinois  
13 Affordable Housing Act. The municipality shall make a good  
14 faith effort to ensure that this affordable housing is  
15 located in or near the redevelopment project area within  
16 the municipality.

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

24 (9) For redevelopment project areas designated prior  
25 to November 1, 1999, the redevelopment plan may be amended  
26 without further joint review board meeting or hearing,  
27 provided that the municipality shall give notice of any  
28 such changes by mail to each affected taxing district and  
29 registrant on the interested party registry, to authorize  
30 the municipality to expend tax increment revenues for  
31 redevelopment project costs defined by paragraphs (5) and  
32 (7.5), subparagraphs (E) and (F) of paragraph (11), and  
33 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so  
34 long as the changes do not increase the total estimated

1 redevelopment project costs set out in the redevelopment  
2 plan by more than 5% after adjustment for inflation from  
3 the date the plan was adopted.

4 (o) "Redevelopment project" means any public and private  
5 development project in furtherance of the objectives of a  
6 redevelopment plan. On and after November 1, 1999 (the  
7 effective date of Public Act 91-478), no redevelopment plan may  
8 be approved or amended that includes the development of vacant  
9 land (i) with a golf course and related clubhouse and other  
10 facilities or (ii) designated by federal, State, county, or  
11 municipal government as public land for outdoor recreational  
12 activities or for nature preserves and used for that purpose  
13 within 5 years prior to the adoption of the redevelopment plan.  
14 For the purpose of this subsection, "recreational activities"  
15 is limited to mean camping and hunting.

16 (p) "Redevelopment project area" means an area designated  
17 by the municipality, which is not less in the aggregate than 1  
18 1/2 acres and in respect to which the municipality has made a  
19 finding that there exist conditions which cause the area to be  
20 classified as an industrial park conservation area or a  
21 blighted area or a conservation area, or a combination of both  
22 blighted areas and conservation areas.

23 (q) "Redevelopment project costs" mean and include the sum  
24 total of all reasonable or necessary costs incurred or  
25 estimated to be incurred, and any such costs incidental to a  
26 redevelopment plan and a redevelopment project. Such costs  
27 include, without limitation, the following:

28 (1) Costs of studies, surveys, development of plans,  
29 and specifications, implementation and administration of  
30 the redevelopment plan including but not limited to staff  
31 and professional service costs for architectural,  
32 engineering, legal, financial, planning or other services,  
33 provided however that no charges for professional services  
34 may be based on a percentage of the tax increment

1 collected; except that on and after November 1, 1999 (the  
2 effective date of Public Act 91-478), no contracts for  
3 professional services, excluding architectural and  
4 engineering services, may be entered into if the terms of  
5 the contract extend beyond a period of 3 years. In  
6 addition, "redevelopment project costs" shall not include  
7 lobbying expenses. After consultation with the  
8 municipality, each tax increment consultant or advisor to a  
9 municipality that plans to designate or has designated a  
10 redevelopment project area shall inform the municipality  
11 in writing of any contracts that the consultant or advisor  
12 has entered into with entities or individuals that have  
13 received, or are receiving, payments financed by tax  
14 increment revenues produced by the redevelopment project  
15 area with respect to which the consultant or advisor has  
16 performed, or will be performing, service for the  
17 municipality. This requirement shall be satisfied by the  
18 consultant or advisor before the commencement of services  
19 for the municipality and thereafter whenever any other  
20 contracts with those individuals or entities are executed  
21 by the consultant or advisor;

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

28 (1.6) The cost of marketing sites within the  
29 redevelopment project area to prospective businesses,  
30 developers, and investors;

31 (2) Property assembly costs, including but not limited  
32 to acquisition of land and other property, real or  
33 personal, or rights or interests therein, demolition of  
34 buildings, site preparation, site improvements that serve

1 as an engineered barrier addressing ground level or below  
2 ground environmental contamination, including, but not  
3 limited to parking lots and other concrete or asphalt  
4 barriers, and the clearing and grading of land;

5 (3) Costs of rehabilitation, reconstruction or repair  
6 or remodeling of existing public or private buildings,  
7 fixtures, and leasehold improvements; and the cost of  
8 replacing an existing public building if pursuant to the  
9 implementation of a redevelopment project the existing  
10 public building is to be demolished to use the site for  
11 private investment or devoted to a different use requiring  
12 private investment;

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

32 (5) Costs of job training and retraining projects,  
33 including the cost of "welfare to work" programs  
34 implemented by businesses located within the redevelopment

1 project area;

2 (6) Financing costs, including but not limited to all  
3 necessary and incidental expenses related to the issuance  
4 of obligations and which may include payment of interest on  
5 any obligations issued hereunder including interest  
6 accruing during the estimated period of construction of any  
7 redevelopment project for which such obligations are  
8 issued and for not exceeding 36 months thereafter and  
9 including reasonable reserves related thereto;

10 (7) To the extent the municipality by written agreement  
11 accepts and approves the same, all or a portion of a taxing  
12 district's capital costs resulting from the redevelopment  
13 project necessarily incurred or to be incurred within a  
14 taxing district in furtherance of the objectives of the  
15 redevelopment plan and project.

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

32 (A) for foundation districts, excluding any school  
33 district in a municipality with a population in excess  
34 of 1,000,000, by multiplying the district's increase



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

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

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

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

34 (B) For alternate method districts, flat grant

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

21 (i) for unit school districts, no more than 40%  
22 of the total amount of property tax increment  
23 revenue produced by those housing units that have  
24 received tax increment finance assistance under  
25 this Act;

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

31 (iii) for secondary school districts, no more  
32 than 13% of the total amount of property tax  
33 increment revenue produced by those housing units  
34 that have received tax increment finance

1 assistance under this Act.

2 (C) For any school district in a municipality with  
3 a population in excess of 1,000,000, the following  
4 restrictions shall apply to the reimbursement of  
5 increased costs under this paragraph (7.5):

6 (i) no increased costs shall be reimbursed  
7 unless the school district certifies that each of  
8 the schools affected by the assisted housing  
9 project is at or over its student capacity;

10 (ii) the amount reimbursable shall be reduced  
11 by the value of any land donated to the school  
12 district by the municipality or developer, and by  
13 the value of any physical improvements made to the  
14 schools by the municipality or developer; and

15 (iii) the amount reimbursed may not affect  
16 amounts otherwise obligated by the terms of any  
17 bonds, notes, or other funding instruments, or the  
18 terms of any redevelopment agreement.

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

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

24          The amount paid to a library district under this  
25          paragraph (7.7) shall be calculated by multiplying (i) the  
26          net increase in the number of persons eligible to obtain a  
27          library card in that district who reside in housing units  
28          within the redevelopment project area that have received  
29          financial assistance through an agreement with the  
30          municipality or because the municipality incurs the cost of  
31          necessary infrastructure improvements within the  
32          boundaries of the housing sites necessary for the  
33          completion of that housing as authorized by this Act since  
34          the designation of the redevelopment project area by (ii)

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

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

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

34 (8) Relocation costs to the extent that a municipality

1 determines that relocation costs shall be paid or is  
2 required to make payment of relocation costs by federal or  
3 State law or in order to satisfy subparagraph (7) of  
4 subsection (n);

5 (9) Payment in lieu of taxes;

6 (10) Costs of job training, retraining, advanced  
7 vocational education or career education, including but  
8 not limited to courses in occupational, semi-technical or  
9 technical fields leading directly to employment, incurred  
10 by one or more taxing districts, provided that such costs  
11 (i) are related to the establishment and maintenance of  
12 additional job training, advanced vocational education or  
13 career education programs for persons employed or to be  
14 employed by employers located in a redevelopment project  
15 area; and (ii) when incurred by a taxing district or taxing  
16 districts other than the municipality, are set forth in a  
17 written agreement by or among the municipality and the  
18 taxing district or taxing districts, which agreement  
19 describes the program to be undertaken, including but not  
20 limited to the number of employees to be trained, a  
21 description of the training and services to be provided,  
22 the number and type of positions available or to be  
23 available, itemized costs of the program and sources of  
24 funds to pay for the same, and the term of the agreement.  
25 Such costs include, specifically, the payment by community  
26 college districts of costs pursuant to Sections 3-37, 3-38,  
27 3-40 and 3-40.1 of the Public Community College Act and by  
28 school districts of costs pursuant to Sections 10-22.20a  
29 and 10-23.3a of The School Code;

30 (11) Interest cost incurred by a redeveloper related to  
31 the construction, renovation or rehabilitation of a  
32 redevelopment project provided that:

33 (A) such costs are to be paid directly from the  
34 special tax allocation fund established pursuant to

1           this Act;

2           (B) such payments in any one year may not exceed  
3           30% of the annual interest costs incurred by the  
4           redeveloper with regard to the redevelopment project  
5           during that year;

6           (C) if there are not sufficient funds available in  
7           the special tax allocation fund to make the payment  
8           pursuant to this paragraph (11) then the amounts so due  
9           shall accrue and be payable when sufficient funds are  
10          available in the special tax allocation fund;

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

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

25          (F) Instead of the eligible costs provided by  
26          subparagraphs (B) and (D) of paragraph (11), as  
27          modified by this subparagraph, and notwithstanding any  
28          other provisions of this Act to the contrary, the  
29          municipality may pay from tax increment revenues up to  
30          50% of the cost of construction of new housing units to  
31          be occupied by low-income households and very  
32          low-income households as defined in Section 3 of the  
33          Illinois Affordable Housing Act. The cost of  
34          construction of those units may be derived from the

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

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



1 at a minimum, for the affordability of rent to low and  
2 very low-income households. As units become available,  
3 they shall be rented to income-eligible tenants. The  
4 municipality may modify these guidelines from time to  
5 time; the guidelines, however, shall be in effect for  
6 as long as tax increment revenue is being used to pay  
7 for costs associated with the units or for the  
8 retirement of bonds issued to finance the units or for  
9 the life of the redevelopment project area, whichever  
10 is later.

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

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

30 (13) After November 1, 1999 (the effective date of  
31 Public Act 91-478), none of the redevelopment project costs  
32 enumerated in this subsection shall be eligible  
33 redevelopment project costs if those costs would provide  
34 direct financial support to a retail entity initiating

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

16 If a special service area has been established pursuant to  
17 the Special Service Area Tax Act or Special Service Area Tax  
18 Law, then any tax increment revenues derived from the tax  
19 imposed pursuant to the Special Service Area Tax Act or Special  
20 Service Area Tax Law may be used within the redevelopment  
21 project area for the purposes permitted by that Act or Law as  
22 well as the purposes permitted by this Act.

23 (r) "State Sales Tax Boundary" means the redevelopment  
24 project area or the amended redevelopment project area  
25 boundaries which are determined pursuant to subsection (9) of  
26 Section 11-74.4-8a of this Act. The Department of Revenue shall  
27 certify pursuant to subsection (9) of Section 11-74.4-8a the  
28 appropriate boundaries eligible for the determination of State  
29 Sales Tax Increment.

30 (s) "State Sales Tax Increment" means an amount equal to  
31 the increase in the aggregate amount of taxes paid by retailers  
32 and servicemen, other than retailers and servicemen subject to  
33 the Public Utilities Act, on transactions at places of business  
34 located within a State Sales Tax Boundary pursuant to the

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

1 utilizing the calendar year 1987 to determine the tax amounts  
2 received. For the State Fiscal Year 1990, this calculation  
3 shall be made by utilizing the period from January 1, 1988,  
4 until September 30, 1988, to determine the tax amounts received  
5 from retailers and servicemen, which shall have deducted  
6 therefrom nine-twelfths of the certified Initial Sales Tax  
7 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
8 Initial Sales Tax Amounts as appropriate. For the State Fiscal  
9 Year 1991, this calculation shall be made by utilizing the  
10 period from October 1, 1988, until June 30, 1989, to determine  
11 the tax amounts received from retailers and servicemen, which  
12 shall have deducted therefrom nine-twelfths of the certified  
13 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax  
14 Amounts or the Revised Initial Sales Tax Amounts as  
15 appropriate. For every State Fiscal Year thereafter, the  
16 applicable period shall be the 12 months beginning July 1 and  
17 ending on June 30, to determine the tax amounts received which  
18 shall have deducted therefrom the certified Initial Sales Tax  
19 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
20 Initial Sales Tax Amounts. Municipalities intending to receive  
21 a distribution of State Sales Tax Increment must report a list  
22 of retailers to the Department of Revenue by October 31, 1988  
23 and by July 31, of each year thereafter.

24 (t) "Taxing districts" means counties, townships, cities  
25 and incorporated towns and villages, school, road, park,  
26 sanitary, mosquito abatement, forest preserve, public health,  
27 fire protection, river conservancy, tuberculosis sanitarium  
28 and any other municipal corporations or districts with the  
29 power to levy taxes.

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

34 (v) As used in subsection (a) of Section 11-74.4-3 of this

1 Act, "vacant land" means any parcel or combination of parcels  
2 of real property without industrial, commercial, and  
3 residential buildings which has not been used for commercial  
4 agricultural purposes within 5 years prior to the designation  
5 of the redevelopment project area, unless the parcel is  
6 included in an industrial park conservation area or the parcel  
7 has been subdivided; provided that if the parcel was part of a  
8 larger tract that has been divided into 3 or more smaller  
9 tracts that were accepted for recording during the period from  
10 1950 to 1990, then the parcel shall be deemed to have been  
11 subdivided, and all proceedings and actions of the municipality  
12 taken in that connection with respect to any previously  
13 approved or designated redevelopment project area or amended  
14 redevelopment project area are hereby validated and hereby  
15 declared to be legally sufficient for all purposes of this Act.  
16 For purposes of this Section and only for land subject to the  
17 subdivision requirements of the Plat Act, land is subdivided  
18 when the original plat of the proposed Redevelopment Project  
19 Area or relevant portion thereof has been properly certified,  
20 acknowledged, approved, and recorded or filed in accordance  
21 with the Plat Act and a preliminary plat, if any, for any  
22 subsequent phases of the proposed Redevelopment Project Area or  
23 relevant portion thereof has been properly approved and filed  
24 in accordance with the applicable ordinance of the  
25 municipality.

26 (w) "Annual Total Increment" means the sum of each  
27 municipality's annual Net Sales Tax Increment and each  
28 municipality's annual Net Utility Tax Increment. The ratio of  
29 the Annual Total Increment of each municipality to the Annual  
30 Total Increment for all municipalities, as most recently  
31 calculated by the Department, shall determine the proportional  
32 shares of the Illinois Tax Increment Fund to be distributed to  
33 each municipality.

34 (Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05;

1 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-961, eff.  
2 1-1-05; 93-983, eff. 8-23-04; 93-984, eff. 8-23-04; 93-985,  
3 eff. 8-23-04; 93-986, eff. 8-23-04; 93-987, eff. 8-23-04;  
4 93-995, eff. 8-23-04; 93-1024, eff. 8-25-04; 93-1076, eff.  
5 1-18-05; 94-260, eff. 7-19-05; 94-268, eff. 7-19-05; 94-297,  
6 eff. 7-21-05; 94-302, eff. 7-21-05; 94-704, eff. 12-5-05;  
7 revised 12-9-05.)

8 (Text of Section after amendment by P.A. 94-702 and 94-711)  
9 Sec. 11-74.4-3. Definitions. The following terms, wherever  
10 used or referred to in this Division 74.4 shall have the  
11 following respective meanings, unless in any case a different  
12 meaning clearly appears from the context.

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

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

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

31 (A) Dilapidation. An advanced state of disrepair  
32 or neglect of necessary repairs to the primary  
33 structural components of buildings or improvements in

1           such a combination that a documented building  
2           condition analysis determines that major repair is  
3           required or the defects are so serious and so extensive  
4           that the buildings must be removed.

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

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

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

24          (E) Illegal use of individual structures. The use  
25          of structures in violation of applicable federal,  
26          State, or local laws, exclusive of those applicable to  
27          the presence of structures below minimum code  
28          standards.

29          (F) Excessive vacancies. The presence of buildings  
30          that are unoccupied or under-utilized and that  
31          represent an adverse influence on the area because of  
32          the frequency, extent, or duration of the vacancies.

33          (G) Lack of ventilation, light, or sanitary  
34          facilities. The absence of adequate ventilation for

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

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

22 (I) Excessive land coverage and overcrowding of  
23 structures and community facilities. The  
24 over-intensive use of property and the crowding of  
25 buildings and accessory facilities onto a site.  
26 Examples of problem conditions warranting the  
27 designation of an area as one exhibiting excessive land  
28 coverage are: (i) the presence of buildings either  
29 improperly situated on parcels or located on parcels of  
30 inadequate size and shape in relation to present-day  
31 standards of development for health and safety and (ii)  
32 the presence of multiple buildings on a single parcel.  
33 For there to be a finding of excessive land coverage,  
34 these parcels must exhibit one or more of the following



1 conditions: insufficient provision for light and air  
2 within or around buildings, increased threat of spread  
3 of fire due to the close proximity of buildings, lack  
4 of adequate or proper access to a public right-of-way,  
5 lack of reasonably required off-street parking, or  
6 inadequate provision for loading and service.

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

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

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

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

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

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

24 (A) Obsolete platting of vacant land that results  
25 in parcels of limited or narrow size or configurations  
26 of parcels of irregular size or shape that would be  
27 difficult to develop on a planned basis and in a manner  
28 compatible with contemporary standards and  
29 requirements, or platting that failed to create  
30 rights-of-ways for streets or alleys or that created  
31 inadequate right-of-way widths for streets, alleys, or  
32 other public rights-of-way or that omitted easements  
33 for public utilities.

34 (B) Diversity of ownership of parcels of vacant

1 land sufficient in number to retard or impede the  
2 ability to assemble the land for development.

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

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

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

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

33 (3) If vacant, the sound growth of the redevelopment  
34 project area is impaired by one of the following factors

1 that (i) is present, with that presence documented, to a  
2 meaningful extent so that a municipality may reasonably  
3 find that the factor is clearly present within the intent  
4 of the Act and (ii) is reasonably distributed throughout  
5 the vacant part of the redevelopment project area to which  
6 it pertains:

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

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

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

20 (D) The area consists of an unused or illegal  
21 disposal site containing earth, stone, building  
22 debris, or similar materials that were removed from  
23 construction, demolition, excavation, or dredge sites.

24 (E) Prior to November 1, 1999, the area is not less  
25 than 50 nor more than 100 acres and 75% of which is  
26 vacant (notwithstanding that the area has been used for  
27 commercial agricultural purposes within 5 years prior  
28 to the designation of the redevelopment project area),  
29 and the area meets at least one of the factors itemized  
30 in paragraph (1) of this subsection, the area has been  
31 designated as a town or village center by ordinance or  
32 comprehensive plan adopted prior to January 1, 1982,  
33 and the area has not been developed for that designated  
34 purpose.

1 (F) The area qualified as a blighted improved area  
2 immediately prior to becoming vacant, unless there has  
3 been substantial private investment in the immediately  
4 surrounding area.

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

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

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

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

28 (3) Deterioration. With respect to buildings, defects  
29 including, but not limited to, major defects in the  
30 secondary building components such as doors, windows,  
31 porches, gutters and downspouts, and fascia. With respect  
32 to surface improvements, that the condition of roadways,  
33 alleys, curbs, gutters, sidewalks, off-street parking, and  
34 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,  
27 bathroom facilities, hot water and kitchens, and  
28 structural inadequacies preventing ingress and egress to  
29 and from all rooms and units within a building.

30 (8) Inadequate utilities. Underground and overhead  
31 utilities such as storm sewers and storm drainage, sanitary  
32 sewers, water lines, and gas, telephone, and electrical  
33 services that are shown to be inadequate. Inadequate  
34 utilities are those that are: (i) of insufficient capacity

1 to serve the uses in the redevelopment project area, (ii)  
2 deteriorated, antiquated, obsolete, or in disrepair, or  
3 (iii) lacking within the redevelopment project area.

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

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

27 (11) Lack of community planning. The proposed  
28 redevelopment project area was developed prior to or  
29 without the benefit or guidance of a community plan. This  
30 means that the development occurred prior to the adoption  
31 by the municipality of a comprehensive or other community  
32 plan or that the plan was not followed at the time of the  
33 area's development. This factor must be documented by  
34 evidence of adverse or incompatible land-use

1 relationships, inadequate street layout, improper  
2 subdivision, parcels of inadequate shape and size to meet  
3 contemporary development standards, or other evidence  
4 demonstrating an absence of effective community planning.

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

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

26 (c) "Industrial park" means an area in a blighted or  
27 conservation area suitable for use by any manufacturing,  
28 industrial, research or transportation enterprise, of  
29 facilities to include but not be limited to factories, mills,  
30 processing plants, assembly plants, packing plants,  
31 fabricating plants, industrial distribution centers,  
32 warehouses, repair overhaul or service facilities, freight  
33 terminals, research facilities, test facilities or railroad  
34 facilities.



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

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

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

30 (g) "Initial Sales Tax Amounts" means the amount of taxes  
31 paid under the Retailers' Occupation Tax Act, Use Tax Act,  
32 Service Use Tax Act, the Service Occupation Tax Act, the  
33 Municipal Retailers' Occupation Tax Act, and the Municipal  
34 Service Occupation Tax Act by retailers and servicemen on

1 transactions at places located in a State Sales Tax Boundary  
2 during the calendar year 1985.

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

10 (h) "Municipal Sales Tax Increment" means an amount equal  
11 to the increase in the aggregate amount of taxes paid to a  
12 municipality from the Local Government Tax Fund arising from  
13 sales by retailers and servicemen within the redevelopment  
14 project area or State Sales Tax Boundary, as the case may be,  
15 for as long as the redevelopment project area or State Sales  
16 Tax Boundary, as the case may be, exist over and above the  
17 aggregate amount of taxes as certified by the Illinois  
18 Department of Revenue and paid under the Municipal Retailers'  
19 Occupation Tax Act and the Municipal Service Occupation Tax Act  
20 by retailers and servicemen, on transactions at places of  
21 business located in the redevelopment project area or State  
22 Sales Tax Boundary, as the case may be, during the base year  
23 which shall be the calendar year immediately prior to the year  
24 in which the municipality adopted tax increment allocation  
25 financing. For purposes of computing the aggregate amount of  
26 such taxes for base years occurring prior to 1985, the  
27 Department of Revenue shall determine the Initial Sales Tax  
28 Amounts for such taxes and deduct therefrom an amount equal to  
29 4% of the aggregate amount of taxes per year for each year the  
30 base year is prior to 1985, but not to exceed a total deduction  
31 of 12%. The amount so determined shall be known as the  
32 "Adjusted Initial Sales Tax Amounts". For purposes of  
33 determining the Municipal Sales Tax Increment, the Department  
34 of Revenue shall for each period subtract from the amount paid

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

33 (i) "Net State Sales Tax Increment" means the sum of the  
34 following: (a) 80% of the first \$100,000 of State Sales Tax

1 Increment annually generated within a State Sales Tax Boundary;  
2 (b) 60% of the amount in excess of \$100,000 but not exceeding  
3 \$500,000 of State Sales Tax Increment annually generated within  
4 a State Sales Tax Boundary; and (c) 40% of all amounts in  
5 excess of \$500,000 of State Sales Tax Increment annually  
6 generated within a State Sales Tax Boundary. If, however, a  
7 municipality established a tax increment financing district in  
8 a county with a population in excess of 3,000,000 before  
9 January 1, 1986, and the municipality entered into a contract  
10 or issued bonds after January 1, 1986, but before December 31,  
11 1986, to finance redevelopment project costs within a State  
12 Sales Tax Boundary, then the Net State Sales Tax Increment  
13 means, for the fiscal years beginning July 1, 1990, and July 1,  
14 1991, 100% of the State Sales Tax Increment annually generated  
15 within a State Sales Tax Boundary; and notwithstanding any  
16 other provision of this Act, for those fiscal years the  
17 Department of Revenue shall distribute to those municipalities  
18 100% of their Net State Sales Tax Increment before any  
19 distribution to any other municipality and regardless of  
20 whether or not those other municipalities will receive 100% of  
21 their Net State Sales Tax Increment. For Fiscal Year 1999, and  
22 every year thereafter until the year 2007, for any municipality  
23 that has not entered into a contract or has not issued bonds  
24 prior to June 1, 1988 to finance redevelopment project costs  
25 within a State Sales Tax Boundary, the Net State Sales Tax  
26 Increment shall be calculated as follows: By multiplying the  
27 Net State Sales Tax Increment by 90% in the State Fiscal Year  
28 1999; 80% in the State Fiscal Year 2000; 70% in the State  
29 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the  
30 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%  
31 in the State Fiscal Year 2005; 20% in the State Fiscal Year  
32 2006; and 10% in the State Fiscal Year 2007. No payment shall  
33 be made for State Fiscal Year 2008 and thereafter.

34 Municipalities that issued bonds in connection with a

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

26 (j) "State Utility Tax Increment Amount" means an amount  
27 equal to the aggregate increase in State electric and gas tax  
28 charges imposed on owners and tenants, other than residential  
29 customers, of properties located within the redevelopment  
30 project area under Section 9-222 of the Public Utilities Act,  
31 over and above the aggregate of such charges as certified by  
32 the Department of Revenue and paid by owners and tenants, other  
33 than residential customers, of properties within the  
34 redevelopment project area during the base year, which shall be

1 the calendar year immediately prior to the year of the adoption  
2 of the ordinance authorizing tax increment allocation  
3 financing.

4 (k) "Net State Utility Tax Increment" means the sum of the  
5 following: (a) 80% of the first \$100,000 of State Utility Tax  
6 Increment annually generated by a redevelopment project area;  
7 (b) 60% of the amount in excess of \$100,000 but not exceeding  
8 \$500,000 of the State Utility Tax Increment annually generated  
9 by a redevelopment project area; and (c) 40% of all amounts in  
10 excess of \$500,000 of State Utility Tax Increment annually  
11 generated by a redevelopment project area. For the State Fiscal  
12 Year 1999, and every year thereafter until the year 2007, for  
13 any municipality that has not entered into a contract or has  
14 not issued bonds prior to June 1, 1988 to finance redevelopment  
15 project costs within a redevelopment project area, the Net  
16 State Utility Tax Increment shall be calculated as follows: By  
17 multiplying the Net State Utility Tax Increment by 90% in the  
18 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%  
19 in the State Fiscal Year 2001; 60% in the State Fiscal Year  
20 2002; 50% in the State Fiscal Year 2003; 40% in the State  
21 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the  
22 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.  
23 No payment shall be made for the State Fiscal Year 2008 and  
24 thereafter.

25 Municipalities that issue bonds in connection with the  
26 redevelopment project during the period from June 1, 1988 until  
27 3 years after the effective date of this Amendatory Act of 1988  
28 shall receive the Net State Utility Tax Increment, subject to  
29 appropriation, for 15 State Fiscal Years after the issuance of  
30 such bonds. For the 16th through the 20th State Fiscal Years  
31 after issuance of the bonds, the Net State Utility Tax  
32 Increment shall be calculated as follows: By multiplying the  
33 Net State Utility Tax Increment by 90% in year 16; 80% in year  
34 17; 70% in year 18; 60% in year 19; and 50% in year 20.

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

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

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

20 (n) "Redevelopment plan" means the comprehensive program  
21 of the municipality for development or redevelopment intended  
22 by the payment of redevelopment project costs to reduce or  
23 eliminate those conditions the existence of which qualified the  
24 redevelopment project area as a "blighted area" or  
25 "conservation area" or combination thereof or "industrial park  
26 conservation area," and thereby to enhance the tax bases of the  
27 taxing districts which extend into the redevelopment project  
28 area. On and after November 1, 1999 (the effective date of  
29 Public Act 91-478), no redevelopment plan may be approved or  
30 amended that includes the development of vacant land (i) with a  
31 golf course and related clubhouse and other facilities or (ii)  
32 designated by federal, State, county, or municipal government  
33 as public land for outdoor recreational activities or for  
34 nature preserves and used for that purpose within 5 years prior

1 to the adoption of the redevelopment plan. For the purpose of  
2 this subsection, "recreational activities" is limited to mean  
3 camping and hunting. Each redevelopment plan shall set forth in  
4 writing the program to be undertaken to accomplish the  
5 objectives and shall include but not be limited to:

6 (A) an itemized list of estimated redevelopment  
7 project costs;

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

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

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

17 (E) the nature and term of the obligations to be  
18 issued;

19 (F) the most recent equalized assessed valuation of the  
20 redevelopment project area;

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

24 (H) a commitment to fair employment practices and an  
25 affirmative action plan;

26 (I) if it concerns an industrial park conservation  
27 area, the plan shall also include a general description of  
28 any proposed developer, user and tenant of any property, a  
29 description of the type, structure and general character of  
30 the facilities to be developed, a description of the type,  
31 class and number of new employees to be employed in the  
32 operation of the facilities to be developed; and

33 (J) if property is to be annexed to the municipality,  
34 the plan shall include the terms of the annexation



1 agreement.

2 The provisions of items (B) and (C) of this subsection (n)  
3 shall not apply to a municipality that before March 14, 1994  
4 (the effective date of Public Act 88-537) had fixed, either by  
5 its corporate authorities or by a commission designated under  
6 subsection (k) of Section 11-74.4-4, a time and place for a  
7 public hearing as required by subsection (a) of Section  
8 11-74.4-5. No redevelopment plan shall be adopted unless a  
9 municipality complies with all of the following requirements:

10 (1) The municipality finds that the redevelopment  
11 project area on the whole has not been subject to growth  
12 and development through investment by private enterprise  
13 and would not reasonably be anticipated to be developed  
14 without the adoption of the redevelopment plan.

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

26 (3) The redevelopment plan establishes the estimated  
27 dates of completion of the redevelopment project and  
28 retirement of obligations issued to finance redevelopment  
29 project costs. Those dates: shall not be later than  
30 December 31 of the year in which the payment to the  
31 municipal treasurer as provided in subsection (b) of  
32 Section 11-74.4-8 of this Act is to be made with respect to  
33 ad valorem taxes levied in the twenty-third calendar year  
34 after the year in which the ordinance approving the

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

16 (A) if the ordinance was adopted before January 15,  
17 1981, or

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

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

23 (D) if the ordinance was adopted before January 1,  
24 1987 by a municipality in Mason County, or

25 (E) if the municipality is subject to the Local  
26 Government Financial Planning and Supervision Act or  
27 the Financially Distressed City Law, or

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

30 (G) if the ordinance was adopted on December 31,  
31 1986 by a municipality located in Clinton County for  
32 which at least \$250,000 of tax increment bonds were  
33 authorized on June 17, 1997, or if the ordinance was  
34 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,  
27 1990 by the City of Clinton, or

28 (S) if the ordinance was adopted on September 6,  
29 1994 by the City of Freeport, or

30 (T) if the ordinance was adopted on December 22,  
31 1986 by the City of Tuscola, or

32 (U) if the ordinance was adopted on December 23,  
33 1986 by the City of Sparta, or

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

1           1986 by the City of Beardstown, or  
2           (W) if the ordinance was adopted on April 27, 1981,  
3           October 21, 1985, or December 30, 1986 by the City of  
4           Belleville, or  
5           (X) if the ordinance was adopted on December 29,  
6           1986 by the City of Collinsville, or  
7           (Y) if the ordinance was adopted on September 14,  
8           1994 by the City of Alton, or  
9           (Z) if the ordinance was adopted on November 11,  
10          1996 by the City of Lexington, or  
11          (AA) if the ordinance was adopted on November 5,  
12          1984 by the City of LeRoy, or  
13          (BB) if the ordinance was adopted on April 3, 1991  
14          or June 3, 1992 by the City of Markham, or  
15          (CC) if the ordinance was adopted on November 11,  
16          1986 by the City of Pekin, or  
17          (DD) if the ordinance was adopted on December 15,  
18          1981 by the City of Champaign, or  
19          (EE) if the ordinance was adopted on December 15,  
20          1986 by the City of Urbana, or  
21          (FF) if the ordinance was adopted on December 15,  
22          1986 by the Village of Heyworth, or  
23          (GG) if the ordinance was adopted on February 24,  
24          1992 by the Village of Heyworth, or  
25          (HH) if the ordinance was adopted on March 16, 1995  
26          by the Village of Heyworth, or  
27          (II) if the ordinance was adopted on December 23,  
28          1986 by the Town of Cicero, or  
29          (JJ) if the ordinance was adopted on December 30,  
30          1986 by the City of Effingham, or  
31          (KK) if the ordinance was adopted on May 9, 1991 by  
32          the Village of Tilton, or  
33          (LL) if the ordinance was adopted on October 20,  
34          1986 by the City of Elmhurst, or

1 (MM) if the ordinance was adopted on January 19,  
2 1988 by the City of Waukegan, or

3 (NN) if the ordinance was adopted on September 21,  
4 1998 by the City of Waukegan, or

5 (OO) if the ordinance was adopted on December 31,  
6 1986 by the City of Sullivan, or

7 (PP) if the ordinance was adopted on December 23,  
8 1991 by the City of Sullivan, or

9 (QQ) ~~(OO)~~ if the ordinance was adopted on December  
10 31, 1986 by the City of Oglesby, or

11 (RR) ~~(OO)~~ if the ordinance was adopted on July 28,  
12 1987 by the City of Marion, or

13 (SS) ~~(PP)~~ if the ordinance was adopted on April 23,  
14 1990 by the City of Marion, or

15 (TT) ~~(OO)~~ if the ordinance was adopted on August  
16 20, 1985 by the Village of Mount Prospect, or

17 (UU) ~~(OO)~~ if the ordinance was adopted on February  
18 2, 1998 by the Village of Woodhull, or

19 (VV) if the ordinance was adopted on July 14, 1999  
20 by the Village of Paw Paw.

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

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

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

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

1 ordinance.

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

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

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

30 Part I of the housing impact study shall include (i)  
31 data as to whether the residential units are single family  
32 or multi-family units, (ii) the number and type of rooms  
33 within the units, if that information is available, (iii)  
34 whether the units are inhabited or uninhabited, as

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

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

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

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



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

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

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

33 (o) "Redevelopment project" means any public and private  
34 development project in furtherance of the objectives of a

1 redevelopment plan. On and after November 1, 1999 (the  
2 effective date of Public Act 91-478), no redevelopment plan may  
3 be approved or amended that includes the development of vacant  
4 land (i) with a golf course and related clubhouse and other  
5 facilities or (ii) designated by federal, State, county, or  
6 municipal government as public land for outdoor recreational  
7 activities or for nature preserves and used for that purpose  
8 within 5 years prior to the adoption of the redevelopment plan.  
9 For the purpose of this subsection, "recreational activities"  
10 is limited to mean camping and hunting.

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

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

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

1 addition, "redevelopment project costs" shall not include  
2 lobbying expenses. After consultation with the  
3 municipality, each tax increment consultant or advisor to a  
4 municipality that plans to designate or has designated a  
5 redevelopment project area shall inform the municipality  
6 in writing of any contracts that the consultant or advisor  
7 has entered into with entities or individuals that have  
8 received, or are receiving, payments financed by tax  
9 increment revenues produced by the redevelopment project  
10 area with respect to which the consultant or advisor has  
11 performed, or will be performing, service for the  
12 municipality. This requirement shall be satisfied by the  
13 consultant or advisor before the commencement of services  
14 for the municipality and thereafter whenever any other  
15 contracts with those individuals or entities are executed  
16 by the consultant or advisor;

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

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

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

34 (3) Costs of rehabilitation, reconstruction or repair

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

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

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

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

1 accruing during the estimated period of construction of any  
2 redevelopment project for which such obligations are  
3 issued and for not exceeding 36 months thereafter and  
4 including reasonable reserves related thereto;

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

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

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

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

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

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

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

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

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

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

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

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

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

1           (i) no increased costs shall be reimbursed  
2           unless the school district certifies that each of  
3           the schools affected by the assisted housing  
4           project is at or over its student capacity;

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

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

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

30          (7.7) For redevelopment project areas designated (or  
31          redevelopment project areas amended to add or increase the  
32          number of tax-increment-financing assisted housing units)  
33          on or after January 1, 2005 (the effective date of Public  
34          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  
27      boundaries of the housing sites necessary for the  
28      completion of that housing as authorized by this Act since  
29      the designation of the redevelopment project area by (ii)  
30      the per-patron cost of providing library services so long  
31      as it does not exceed \$120. The per-patron cost shall be  
32      the Total Operating Expenditures Per Capita as stated in  
33      the most recent Illinois Public Library Statistics  
34      produced by the Library Research Center at the University

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

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

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

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

34 (9) Payment in lieu of taxes;

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

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

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

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

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

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

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

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

1 housing.

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

1 as long as tax increment revenue is being used to pay  
2 for costs associated with the units or for the  
3 retirement of bonds issued to finance the units or for  
4 the life of the redevelopment project area, whichever  
5 is later.

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

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

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

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

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

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

25 (s) "State Sales Tax Increment" means an amount equal to  
26 the increase in the aggregate amount of taxes paid by retailers  
27 and servicemen, other than retailers and servicemen subject to  
28 the Public Utilities Act, on transactions at places of business  
29 located within a State Sales Tax Boundary pursuant to the  
30 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use  
31 Tax Act, and the Service Occupation Tax Act, except such  
32 portion of such increase that is paid into the State and Local  
33 Sales Tax Reform Fund, the Local Government Distributive Fund,  
34 the Local Government Tax Fund and the County and Mass Transit

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



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

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

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

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

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

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

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

1 eff. 7-21-05; 94-302, eff. 7-21-05; 94-702, eff. 6-1-06;  
2 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; revised 12-9-05.)

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

4 (Text of Section before amendment by P.A. 94-702 and  
5 94-711)

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

1 fiscal year by being paid by the municipal treasurer to the  
2 County Collector, to the Department of Revenue and to the  
3 municipality in direct proportion to the tax incremental  
4 revenue received as a result of an increase in the equalized  
5 assessed value of property in the redevelopment project area,  
6 tax incremental revenue received from the State and tax  
7 incremental revenue received from the municipality, but not to  
8 exceed as to each such source the total incremental revenue  
9 received from that source. The County Collector shall  
10 thereafter make distribution to the respective taxing  
11 districts in the same manner and proportion as the most recent  
12 distribution by the county collector to the affected districts  
13 of real property taxes from real property in the redevelopment  
14 project area.

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

26 Such obligations may be issued in one or more series  
27 bearing interest at such rate or rates as the corporate  
28 authorities of the municipality shall determine by ordinance.  
29 Such obligations shall bear such date or dates, mature at such  
30 time or times not exceeding 20 years from their respective  
31 dates, be in such denomination, carry such registration  
32 privileges, be executed in such manner, be payable in such  
33 medium of payment at such place or places, contain such  
34 covenants, terms and conditions, and be subject to redemption

1 as such ordinance shall provide. Obligations issued pursuant to  
2 this Act may be sold at public or private sale at such price as  
3 shall be determined by the corporate authorities of the  
4 municipalities. No referendum approval of the electors shall be  
5 required as a condition to the issuance of obligations pursuant  
6 to this Division except as provided in this Section.

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

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

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

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

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

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

1 A municipality may also issue its obligations to refund in  
2 whole or in part, obligations theretofore issued by such  
3 municipality under the authority of this Act, whether at or  
4 prior to maturity, provided however, that the last maturity of  
5 the refunding obligations shall not be expressed to mature  
6 later than December 31 of the year in which the payment to the  
7 municipal treasurer as provided in subsection (b) of Section  
8 11-74.4-8 of this Act is to be made with respect to ad valorem  
9 taxes levied in the twenty-third calendar year after the year  
10 in which the ordinance approving the redevelopment project area  
11 is adopted if the ordinance was adopted on or after January 15,  
12 1981, not later than December 31 of the year in which the  
13 payment to the municipal treasurer as provided in subsection  
14 (b) of Section 11-74.4-8 of this Act is to be made with respect  
15 to ad valorem taxes levied in the thirty-third calendar year  
16 after the year in which the ordinance approving the  
17 redevelopment project area if the ordinance was adopted on May  
18 20, 1985 by the Village of Wheeling, and not later than  
19 December 31 of the year in which the payment to the municipal  
20 treasurer as provided in subsection (b) of Section 11-74.4-8 of  
21 this Act is to be made with respect to ad valorem taxes levied  
22 in the thirty-fifth calendar year after the year in which the  
23 ordinance approving the redevelopment project area is adopted  
24 (A) if the ordinance was adopted before January 15, 1981, or  
25 (B) if the ordinance was adopted in December 1983, April 1984,  
26 July 1985, or December 1989, or (C) if the ordinance was  
27 adopted in December, 1987 and the redevelopment project is  
28 located within one mile of Midway Airport, or (D) if the  
29 ordinance was adopted before January 1, 1987 by a municipality  
30 in Mason County, or (E) if the municipality is subject to the  
31 Local Government Financial Planning and Supervision Act or the  
32 Financially Distressed City Law, or (F) if the ordinance was  
33 adopted in December 1984 by the Village of Rosemont, or (G) if  
34 the ordinance was adopted on December 31, 1986 by a

1 municipality located in Clinton County for which at least  
2 \$250,000 of tax increment bonds were authorized on June 17,  
3 1997, or if the ordinance was adopted on December 31, 1986 by a  
4 municipality with a population in 1990 of less than 3,600 that  
5 is located in a county with a population in 1990 of less than  
6 34,000 and for which at least \$250,000 of tax increment bonds  
7 were authorized on June 17, 1997, or (H) if the ordinance was  
8 adopted on October 5, 1982 by the City of Kankakee, or (I) if  
9 the ordinance was adopted on December 29, 1986 by East St.  
10 Louis, or if the ordinance was adopted on November 12, 1991 by  
11 the Village of Sauget, or (J) if the ordinance was adopted on  
12 February 11, 1985 by the City of Rock Island, or (K) if the  
13 ordinance was adopted before December 18, 1986 by the City of  
14 Moline, or (L) if the ordinance was adopted in September 1988  
15 by Sauk Village, or (M) if the ordinance was adopted in October  
16 1993 by Sauk Village, or (N) if the ordinance was adopted on  
17 December 29, 1986 by the City of Galva, or (O) if the ordinance  
18 was adopted in March 1991 by the City of Centreville, or (P) if  
19 the ordinance was adopted on January 23, 1991 by the City of  
20 East St. Louis, or (Q) if the ordinance was adopted on December  
21 22, 1986 by the City of Aledo, or (R) if the ordinance was  
22 adopted on February 5, 1990 by the City of Clinton, or (S) if  
23 the ordinance was adopted on September 6, 1994 by the City of  
24 Freeport, or (T) if the ordinance was adopted on December 22,  
25 1986 by the City of Tuscola, or (U) if the ordinance was  
26 adopted on December 23, 1986 by the City of Sparta, or (V) if  
27 the ordinance was adopted on December 23, 1986 by the City of  
28 Beardstown, or (W) if the ordinance was adopted on April 27,  
29 1981, October 21, 1985, or December 30, 1986 by the City of  
30 Belleville, or (X) if the ordinance was adopted on December 29,  
31 1986 by the City of Collinsville, or (Y) if the ordinance was  
32 adopted on September 14, 1994 by the City of Alton, or (Z) if  
33 the ordinance was adopted on November 11, 1996 by the City of  
34 Lexington, or (AA) if the ordinance was adopted on November 5,



1 1984 by the City of LeRoy, or (BB) if the ordinance was adopted  
2 on April 3, 1991 or June 3, 1992 by the City of Markham, or (CC)  
3 if the ordinance was adopted on November 11, 1986 by the City  
4 of Pekin, or (DD) if the ordinance was adopted on December 15,  
5 1981 by the City of Champaign, or (EE) if the ordinance was  
6 adopted on December 15, 1986 by the City of Urbana, or (FF) if  
7 the ordinance was adopted on December 15, 1986 by the Village  
8 of Heyworth, or (GG) if the ordinance was adopted on February  
9 24, 1992 by the Village of Heyworth, or (HH) if the ordinance  
10 was adopted on March 16, 1995 by the Village of Heyworth, or  
11 (II) if the ordinance was adopted on December 23, 1986 by the  
12 Town of Cicero, or (JJ) if the ordinance was adopted on  
13 December 30, 1986 by the City of Effingham, or (KK) if the  
14 ordinance was adopted on May 9, 1991 by the Village of Tilton,  
15 or (LL) if the ordinance was adopted on October 20, 1986 by the  
16 City of Elmhurst, or (MM) if the ordinance was adopted on  
17 January 19, 1988 by the City of Waukegan, or (NN) if the  
18 ordinance was adopted on September 21, 1998 by the City of  
19 Waukegan, or (OO) if the ordinance was adopted on December 31,  
20 1986 by the City of Sullivan, or (PP) if the ordinance was  
21 adopted on December 23, 1991 by the City of Sullivan, or (QQ)  
22 ~~(OO)~~ if the ordinance was adopted on December 31, 1986 by the  
23 City of Oglesby, or (RR) ~~(OO)~~ if the ordinance was adopted on  
24 July 28, 1987 by the City of Marion, or (SS) ~~(PP)~~ if the  
25 ordinance was adopted on April 23, 1990 by the City of Marion,  
26 or (TT) if the ordinance was adopted on July 14, 1999 by the  
27 Village of Paw Paw and, for redevelopment project areas for  
28 which bonds were issued before July 29, 1991, in connection  
29 with a redevelopment project in the area within the State Sales  
30 Tax Boundary and which were extended by municipal ordinance  
31 under subsection (n) of Section 11-74.4-3, the last maturity of  
32 the refunding obligations shall not be expressed to mature  
33 later than the date on which the redevelopment project area is  
34 terminated or December 31, 2013, whichever date occurs first.

1           In the event a municipality issues obligations under home  
2 rule powers or other legislative authority the proceeds of  
3 which are pledged to pay for redevelopment project costs, the  
4 municipality may, if it has followed the procedures in  
5 conformance with this division, retire said obligations from  
6 funds in the special tax allocation fund in amounts and in such  
7 manner as if such obligations had been issued pursuant to the  
8 provisions of this division.

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

13       (Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05;  
14 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-983, eff.  
15 8-23-04; 93-984, eff. 8-23-04; 93-985, eff. 8-23-04; 93-986,  
16 eff. 8-23-04; 93-987, eff. 8-23-04; 93-995, eff. 8-23-04;  
17 93-1024, eff. 8-25-04; 93-1076, eff. 1-18-05; 94-260, eff.  
18 7-19-05; 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-704,  
19 eff. 12-5-05; revised 12-9-05.)

20           (Text of Section after amendment by P.A. 94-702 and 94-711)

21           Sec. 11-74.4-7. Obligations secured by the special tax  
22 allocation fund set forth in Section 11-74.4-8 for the  
23 redevelopment project area may be issued to provide for  
24 redevelopment project costs. Such obligations, when so issued,  
25 shall be retired in the manner provided in the ordinance  
26 authorizing the issuance of such obligations by the receipts of  
27 taxes levied as specified in Section 11-74.4-9 against the  
28 taxable property included in the area, by revenues as specified  
29 by Section 11-74.4-8a and other revenue designated by the  
30 municipality. A municipality may in the ordinance pledge all or  
31 any part of the funds in and to be deposited in the special tax  
32 allocation fund created pursuant to Section 11-74.4-8 to the  
33 payment of the redevelopment project costs and obligations. Any

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

30 Without limiting the foregoing in this Section, the  
31 municipality may in addition to obligations secured by the  
32 special tax allocation fund pledge for a period not greater  
33 than the term of the obligations towards payment of such  
34 obligations any part or any combination of the following: (a)

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

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

22 In the event the municipality authorizes issuance of  
23 obligations pursuant to the authority of this Division secured  
24 by the full faith and credit of the municipality, which  
25 obligations are other than obligations which may be issued  
26 under home rule powers provided by Article VII, Section 6 of  
27 the Illinois Constitution, or pledges taxes pursuant to (b) or  
28 (c) of the second paragraph of this section, the ordinance  
29 authorizing the issuance of such obligations or pledging such  
30 taxes shall be published within 10 days after such ordinance  
31 has been passed in one or more newspapers, with general  
32 circulation within such municipality. The publication of the  
33 ordinance shall be accompanied by a notice of (1) the specific  
34 number of voters required to sign a petition requesting the

1 question of the issuance of such obligations or pledging taxes  
2 to be submitted to the electors; (2) the time in which such  
3 petition must be filed; and (3) the date of the prospective  
4 referendum. The municipal clerk shall provide a petition form  
5 to any individual requesting one.

6 If no petition is filed with the municipal clerk, as  
7 hereinafter provided in this Section, within 30 days after the  
8 publication of the ordinance, the ordinance shall be in effect.  
9 But, if within that 30 day period a petition is filed with the  
10 municipal clerk, signed by electors in the municipality  
11 numbering 10% or more of the number of registered voters in the  
12 municipality, asking that the question of issuing obligations  
13 using full faith and credit of the municipality as security for  
14 the cost of paying for redevelopment project costs, or of  
15 pledging taxes for the payment of such obligations, or both, be  
16 submitted to the electors of the municipality, the corporate  
17 authorities of the municipality shall call a special election  
18 in the manner provided by law to vote upon that question, or,  
19 if a general, State or municipal election is to be held within  
20 a period of not less than 30 or more than 90 days from the date  
21 such petition is filed, shall submit the question at the next  
22 general, State or municipal election. If it appears upon the  
23 canvass of the election by the corporate authorities that a  
24 majority of electors voting upon the question voted in favor  
25 thereof, the ordinance shall be in effect, but if a majority of  
26 the electors voting upon the question are not in favor thereof,  
27 the ordinance shall not take effect.

28 The ordinance authorizing the obligations may provide that  
29 the obligations shall contain a recital that they are issued  
30 pursuant to this Division, which recital shall be conclusive  
31 evidence of their validity and of the regularity of their  
32 issuance.

33 In the event the municipality authorizes issuance of  
34 obligations pursuant to this Section secured by the full faith

1 and credit of the municipality, the ordinance authorizing the  
2 obligations may provide for the levy and collection of a direct  
3 annual tax upon all taxable property within the municipality  
4 sufficient to pay the principal thereof and interest thereon as  
5 it matures, which levy may be in addition to and exclusive of  
6 the maximum of all other taxes authorized to be levied by the  
7 municipality, which levy, however, shall be abated to the  
8 extent that monies from other sources are available for payment  
9 of the obligations and the municipality certifies the amount of  
10 said monies available to the county clerk.

11 A certified copy of such ordinance shall be filed with the  
12 county clerk of each county in which any portion of the  
13 municipality is situated, and shall constitute the authority  
14 for the extension and collection of the taxes to be deposited  
15 in the special tax allocation fund.

16 A municipality may also issue its obligations to refund in  
17 whole or in part, obligations theretofore issued by such  
18 municipality under the authority of this Act, whether at or  
19 prior to maturity, provided however, that the last maturity of  
20 the refunding obligations shall not be expressed to mature  
21 later than December 31 of the year in which the payment to the  
22 municipal treasurer as provided in subsection (b) of Section  
23 11-74.4-8 of this Act is to be made with respect to ad valorem  
24 taxes levied in the twenty-third calendar year after the year  
25 in which the ordinance approving the redevelopment project area  
26 is adopted if the ordinance was adopted on or after January 15,  
27 1981, not later than December 31 of the year in which the  
28 payment to the municipal treasurer as provided in subsection  
29 (b) of Section 11-74.4-8 of this Act is to be made with respect  
30 to ad valorem taxes levied in the thirty-third calendar year  
31 after the year in which the ordinance approving the  
32 redevelopment project area if the ordinance was adopted on May  
33 20, 1985 by the Village of Wheeling, and not later than  
34 December 31 of the year in which the payment to the municipal

1 treasurer as provided in subsection (b) of Section 11-74.4-8 of  
2 this Act is to be made with respect to ad valorem taxes levied  
3 in the thirty-fifth calendar year after the year in which the  
4 ordinance approving the redevelopment project area is adopted  
5 (A) if the ordinance was adopted before January 15, 1981, or  
6 (B) if the ordinance was adopted in December 1983, April 1984,  
7 July 1985, or December 1989, or (C) if the ordinance was  
8 adopted in December, 1987 and the redevelopment project is  
9 located within one mile of Midway Airport, or (D) if the  
10 ordinance was adopted before January 1, 1987 by a municipality  
11 in Mason County, or (E) if the municipality is subject to the  
12 Local Government Financial Planning and Supervision Act or the  
13 Financially Distressed City Law, or (F) if the ordinance was  
14 adopted in December 1984 by the Village of Rosemont, or (G) if  
15 the ordinance was adopted on December 31, 1986 by a  
16 municipality located in Clinton County for which at least  
17 \$250,000 of tax increment bonds were authorized on June 17,  
18 1997, or if the ordinance was adopted on December 31, 1986 by a  
19 municipality with a population in 1990 of less than 3,600 that  
20 is located in a county with a population in 1990 of less than  
21 34,000 and for which at least \$250,000 of tax increment bonds  
22 were authorized on June 17, 1997, or (H) if the ordinance was  
23 adopted on October 5, 1982 by the City of Kankakee, or (I) if  
24 the ordinance was adopted on December 29, 1986 by East St.  
25 Louis, or if the ordinance was adopted on November 12, 1991 by  
26 the Village of Sauget, or (J) if the ordinance was adopted on  
27 February 11, 1985 by the City of Rock Island, or (K) if the  
28 ordinance was adopted before December 18, 1986 by the City of  
29 Moline, or (L) if the ordinance was adopted in September 1988  
30 by Sauk Village, or (M) if the ordinance was adopted in October  
31 1993 by Sauk Village, or (N) if the ordinance was adopted on  
32 December 29, 1986 by the City of Galva, or (O) if the ordinance  
33 was adopted in March 1991 by the City of Centreville, or (P) if  
34 the ordinance was adopted on January 23, 1991 by the City of

1 East St. Louis, or (Q) if the ordinance was adopted on December  
2 22, 1986 by the City of Aledo, or (R) if the ordinance was  
3 adopted on February 5, 1990 by the City of Clinton, or (S) if  
4 the ordinance was adopted on September 6, 1994 by the City of  
5 Freeport, or (T) if the ordinance was adopted on December 22,  
6 1986 by the City of Tuscola, or (U) if the ordinance was  
7 adopted on December 23, 1986 by the City of Sparta, or (V) if  
8 the ordinance was adopted on December 23, 1986 by the City of  
9 Beardstown, or (W) if the ordinance was adopted on April 27,  
10 1981, October 21, 1985, or December 30, 1986 by the City of  
11 Belleville, or (X) if the ordinance was adopted on December 29,  
12 1986 by the City of Collinsville, or (Y) if the ordinance was  
13 adopted on September 14, 1994 by the City of Alton, or (Z) if  
14 the ordinance was adopted on November 11, 1996 by the City of  
15 Lexington, or (AA) if the ordinance was adopted on November 5,  
16 1984 by the City of LeRoy, or (BB) if the ordinance was adopted  
17 on April 3, 1991 or June 3, 1992 by the City of Markham, or (CC)  
18 if the ordinance was adopted on November 11, 1986 by the City  
19 of Pekin, or (DD) if the ordinance was adopted on December 15,  
20 1981 by the City of Champaign, or (EE) if the ordinance was  
21 adopted on December 15, 1986 by the City of Urbana, or (FF) if  
22 the ordinance was adopted on December 15, 1986 by the Village  
23 of Heyworth, or (GG) if the ordinance was adopted on February  
24 24, 1992 by the Village of Heyworth, or (HH) if the ordinance  
25 was adopted on March 16, 1995 by the Village of Heyworth, or  
26 (II) if the ordinance was adopted on December 23, 1986 by the  
27 Town of Cicero, or (JJ) if the ordinance was adopted on  
28 December 30, 1986 by the City of Effingham, or (KK) if the  
29 ordinance was adopted on May 9, 1991 by the Village of Tilton,  
30 or (LL) if the ordinance was adopted on October 20, 1986 by the  
31 City of Elmhurst, or (MM) if the ordinance was adopted on  
32 January 19, 1988 by the City of Waukegan, or (NN) if the  
33 ordinance was adopted on September 21, 1998 by the City of  
34 Waukegan, or (OO) if the ordinance was adopted on December 31,



1 1986 by the City of Sullivan, or (PP) if the ordinance was  
2 adopted on December 23, 1991 by the City of Sullivan, or (QQ)  
3 ~~(OO)~~ if the ordinance was adopted on December 31, 1986 by the  
4 City of Oglesby, or (RR) ~~(OO)~~ if the ordinance was adopted on  
5 July 28, 1987 by the City of Marion, or (SS) ~~(PP)~~ if the  
6 ordinance was adopted on April 23, 1990 by the City of Marion,  
7 or (TT) ~~(OO)~~ if the ordinance was adopted on August 20, 1985 by  
8 the Village of Mount Prospect, or (UU) ~~(OO)~~ if the ordinance  
9 was adopted on February 2, 1998 by the Village of Woodhull, or  
10 (VV) if the ordinance was adopted on July 14, 1999 by the  
11 Village of Paw Paw and, for redevelopment project areas for  
12 which bonds were issued before July 29, 1991, in connection  
13 with a redevelopment project in the area within the State Sales  
14 Tax Boundary and which were extended by municipal ordinance  
15 under subsection (n) of Section 11-74.4-3, the last maturity of  
16 the refunding obligations shall not be expressed to mature  
17 later than the date on which the redevelopment project area is  
18 terminated or 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.

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

31 (Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05;  
32 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-983, eff.  
33 8-23-04; 93-984, eff. 8-23-04; 93-985, eff. 8-23-04; 93-986,  
34 eff. 8-23-04; 93-987, eff. 8-23-04; 93-995, eff. 8-23-04;

1 93-1024, eff. 8-25-04; 93-1076, eff. 1-18-05; 94-260, eff.  
2 7-19-05; 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-702,  
3 eff. 6-1-06; 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; revised  
4 12-9-05.)

5 Section 95. No acceleration or delay. Where this Act makes  
6 changes in a statute that is represented in this Act by text  
7 that is not yet or no longer in effect (for example, a Section  
8 represented by multiple versions), the use of that text does  
9 not accelerate or delay the taking effect of (i) the changes  
10 made by this Act or (ii) provisions derived from any other  
11 Public Act.

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