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AMENDMENT TO SENATE BILL 676

AMENDMENT NO. _____. Amend Senate Bill 676, AS AMENDED, by replacing everything after the enacting clause with the following:

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

(65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)
Sec. 11-74.4-3. Definitions. The following terms, wherever used or referred to in this Division 74.4 shall have the following respective meanings, unless in any case a different meaning clearly appears from the context.

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

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

(1) If improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of 5 or more of the following factors, each of

1 which is (i) 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) reasonably distributed throughout the
5 improved part of the redevelopment project area:

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

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

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

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

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

1 the presence of structures below minimum code
2 standards.

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

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

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

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

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

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

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

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

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

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

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

32 (A) Obsolete platting of vacant land that results
33 in parcels of limited or narrow size or configurations
34 of parcels of irregular size or shape that would be

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13 (b) 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), "conservation area" shall have the meaning set forth
17 in this Section prior to that date.

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

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

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

1 original use.

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

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

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

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

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

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

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

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

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

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

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

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

34 (c) "Industrial park" means an area in a blighted or

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

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

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

33 (f) "Municipality" shall mean a city, village or
34 incorporated town.

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

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

15 (h) "Municipal Sales Tax Increment" means an amount equal
16 to the increase in the aggregate amount of taxes paid to a
17 municipality from the Local Government Tax Fund arising from
18 sales by retailers and servicemen within the redevelopment
19 project area or State Sales Tax Boundary, as the case may be,
20 for as long as the redevelopment project area or State Sales
21 Tax Boundary, as the case may be, exist over and above the
22 aggregate amount of taxes as certified by the Illinois
23 Department of Revenue and paid under the Municipal Retailers'
24 Occupation Tax Act and the Municipal Service Occupation Tax Act
25 by retailers and servicemen, on transactions at places of
26 business located in the redevelopment project area or State
27 Sales Tax Boundary, as the case may be, during the base year
28 which shall be the calendar year immediately prior to the year
29 in which the municipality adopted tax increment allocation
30 financing. For purposes of computing the aggregate amount of
31 such taxes for base years occurring prior to 1985, the
32 Department of Revenue shall determine the Initial Sales Tax
33 Amounts for such taxes and deduct therefrom an amount equal to
34 4% of the aggregate amount of taxes per year for each year the

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

1 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
2 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
3 case may be.

4 (i) "Net State Sales Tax Increment" means the sum of the
5 following: (a) 80% of the first \$100,000 of State Sales Tax
6 Increment annually generated within a State Sales Tax Boundary;
7 (b) 60% of the amount in excess of \$100,000 but not exceeding
8 \$500,000 of State Sales Tax Increment annually generated within
9 a State Sales Tax Boundary; and (c) 40% of all amounts in
10 excess of \$500,000 of State Sales Tax Increment annually
11 generated within a State Sales Tax Boundary. If, however, a
12 municipality established a tax increment financing district in
13 a county with a population in excess of 3,000,000 before
14 January 1, 1986, and the municipality entered into a contract
15 or issued bonds after January 1, 1986, but before December 31,
16 1986, to finance redevelopment project costs within a State
17 Sales Tax Boundary, then the Net State Sales Tax Increment
18 means, for the fiscal years beginning July 1, 1990, and July 1,
19 1991, 100% of the State Sales Tax Increment annually generated
20 within a State Sales Tax Boundary; and notwithstanding any
21 other provision of this Act, for those fiscal years the
22 Department of Revenue shall distribute to those municipalities
23 100% of their Net State Sales Tax Increment before any
24 distribution to any other municipality and regardless of
25 whether or not those other municipalities will receive 100% of
26 their Net State Sales Tax Increment. For Fiscal Year 1999, and
27 every year thereafter until the year 2007, for any municipality
28 that has not entered into a contract or has not issued bonds
29 prior to June 1, 1988 to finance redevelopment project costs
30 within a State Sales Tax Boundary, the Net State Sales Tax
31 Increment shall be calculated as follows: By multiplying the
32 Net State Sales Tax Increment by 90% in the State Fiscal Year
33 1999; 80% in the State Fiscal Year 2000; 70% in the State
34 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the

1 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%
2 in the State Fiscal Year 2005; 20% in the State Fiscal Year
3 2006; and 10% in the State Fiscal Year 2007. No payment shall
4 be made for State Fiscal Year 2008 and thereafter.

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

31 (j) "State Utility Tax Increment Amount" means an amount
32 equal to the aggregate increase in State electric and gas tax
33 charges imposed on owners and tenants, other than residential
34 customers, of properties located within the redevelopment

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

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

30 Municipalities that issue bonds in connection with the
31 redevelopment project during the period from June 1, 1988 until
32 3 years after the effective date of this Amendatory Act of 1988
33 shall receive the Net State Utility Tax Increment, subject to
34 appropriation, for 15 State Fiscal Years after the issuance of

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

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

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

25 (n) "Redevelopment plan" means the comprehensive program
26 of the municipality for development or redevelopment intended
27 by the payment of redevelopment project costs to reduce or
28 eliminate those conditions the existence of which qualified the
29 redevelopment project area as a "blighted area" or
30 "conservation area" or combination thereof or "industrial park
31 conservation area," and thereby to enhance the tax bases of the
32 taxing districts which extend into the redevelopment project
33 area. On and after November 1, 1999 (the effective date of
34 Public Act 91-478), no redevelopment plan may be approved or

1 amended that includes the development of vacant land (i) with a
2 golf course and related clubhouse and other facilities or (ii)
3 designated by federal, State, county, or municipal government
4 as public land for outdoor recreational activities or for
5 nature preserves and used for that purpose within 5 years prior
6 to the adoption of the redevelopment plan. For the purpose of
7 this subsection, "recreational activities" is limited to mean
8 camping and hunting. Each redevelopment plan shall set forth in
9 writing the program to be undertaken to accomplish the
10 objectives and shall include but not be limited to:

11 (A) an itemized list of estimated redevelopment
12 project costs;

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

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

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

22 (E) the nature and term of the obligations to be
23 issued;

24 (F) the most recent equalized assessed valuation of the
25 redevelopment project area;

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

29 (H) a commitment to fair employment practices and an
30 affirmative action plan;

31 (I) if it concerns an industrial park conservation
32 area, the plan shall also include a general description of
33 any proposed developer, user and tenant of any property, a
34 description of the type, structure and general character of

1 the facilities to be developed, a description of the type,
2 class and number of new employees to be employed in the
3 operation of the facilities to be developed; and

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

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

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

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

31 (3) The redevelopment plan establishes the estimated
32 dates of completion of the redevelopment project and
33 retirement of obligations issued to finance redevelopment
34 project costs. Those dates shall not be later than December

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

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

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

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

21 (D) if the ordinance was adopted before January 1,
22 1987 by a municipality in Mason County, or

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

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

28 (G) if the ordinance was adopted on December 31,
29 1986 by a municipality located in Clinton County for
30 which at least \$250,000 of tax increment bonds were
31 authorized on June 17, 1997, or if the ordinance was
32 adopted on December 31, 1986 by a municipality with a
33 population in 1990 of less than 3,600 that is located
34 in a county with a population in 1990 of less than

1 34,000 and for which at least \$250,000 of tax increment
2 bonds were authorized on June 17, 1997, or

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

6 (I) if the ordinance was adopted on November 12,
7 1991 by the Village of Sauget, or

8 (J) if the ordinance was adopted on February 11,
9 1985 by the City of Rock Island, or

10 (K) if the ordinance was adopted before December
11 18, 1986 by the City of Moline, or

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

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

16 (N) if the ordinance was adopted on December 29,
17 1986 by the City of Galva, or

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

20 (P) if the ordinance was adopted on January 23,
21 1991 by the City of East St. Louis, or

22 (Q) if the ordinance was adopted on December 22,
23 1986 by the City of Aledo, or

24 (R) if the ordinance was adopted on February 5,
25 1990 by the City of Clinton, or

26 (S) if the ordinance was adopted on September 6,
27 1994 by the City of Freeport, or

28 (T) if the ordinance was adopted on December 22,
29 1986 by the City of Tuscola, or

30 (U) if the ordinance was adopted on December 23,
31 1986 by the City of Sparta, or

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

34 (W) if the ordinance was adopted on April 27, 1981,

1 October 21, 1985, or December 30, 1986 by the City of
2 Belleville, or

3 (X) if the ordinance was adopted on December 29,
4 1986 by the City of Collinsville, or

5 (Y) if the ordinance was adopted on September 14,
6 1994 by the City of Alton, or

7 (Z) if the ordinance was adopted on November 11,
8 1996 by the City of Lexington, or

9 (AA) if the ordinance was adopted on November 5,
10 1984 by the City of LeRoy, or

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

13 (CC) if the ordinance was adopted on November 11,
14 1986 by the City of Pekin, or

15 (DD) ~~(CC)~~ if the ordinance was adopted on December
16 15, 1981 by the City of Champaign, or

17 (EE) ~~(CC)~~ if the ordinance was adopted on December
18 15, 1986 by the City of Urbana, or

19 (FF) ~~(CC)~~ if the ordinance was adopted on December
20 15, 1986 by the Village of Heyworth, or

21 (GG) ~~(CC)~~ if the ordinance was adopted on February
22 24, 1992 by the Village of Heyworth, or

23 (HH) ~~(CC)~~ if the ordinance was adopted on March 16,
24 1995 by the Village of Heyworth, or

25 (II) ~~(CC)~~ if the ordinance was adopted on December
26 23, 1986 by the Town of Cicero, or

27 (JJ) ~~(CC)~~ if the ordinance was adopted on December
28 30, 1986 by the City of Effingham, or

29 (KK) ~~(CC)~~ if the ordinance was adopted on May 9,
30 1991 by the Village of Tilton, or

31 (LL) ~~(CC)~~ if the ordinance was adopted on October
32 20, 1986 by the City of Elmhurst, or

33 (MM) ~~(CC)~~ if the ordinance was adopted on January
34 19, 1988 by the City of Waukegan, or

1 (NN) ~~(DD)~~ if the ordinance was adopted on September
2 21, 1998 by the City of Waukegan, or-

3 (OO) if the ordinance was adopted on February 2,
4 1998 by the Village of Woodhull.

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

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

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 adopted on or after
31 December 16, 1986 and for which at least \$8 million worth
32 of municipal bonds were authorized on or after December 19,
33 1989 but before January 1, 1990; provided that the
34 municipality elects to extend the life of the redevelopment

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

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

20 (3.5) The municipality finds, in the case of an
21 industrial park conservation area, also that the
22 municipality is a labor surplus municipality and that the
23 implementation of the redevelopment plan will reduce
24 unemployment, create new jobs and by the provision of new
25 facilities enhance the tax base of the taxing districts
26 that extend into the redevelopment project area.

27 (4) If any incremental revenues are being utilized
28 under Section 8(a)(1) or 8(a)(2) of this Act in
29 redevelopment project areas approved by ordinance after
30 January 1, 1986, the municipality finds: (a) that the
31 redevelopment project area would not reasonably be
32 developed without the use of such incremental revenues, and
33 (b) that such incremental revenues will be exclusively
34 utilized for the development of the redevelopment project

1 area.

2 (5) If the redevelopment plan will not result in
3 displacement of residents from 10 or more inhabited
4 residential units, and the municipality certifies in the
5 plan that such displacement will not result from the plan,
6 a housing impact study need not be performed. If, however,
7 the redevelopment plan would result in the displacement of
8 residents from 10 or more inhabited residential units, or
9 if the redevelopment project area contains 75 or more
10 inhabited residential units and no certification is made,
11 then the municipality shall prepare, as part of the
12 separate feasibility report required by subsection (a) of
13 Section 11-74.4-5, a housing impact study.

14 Part I of the housing impact study shall include (i)
15 data as to whether the residential units are single family
16 or multi-family units, (ii) the number and type of rooms
17 within the units, if that information is available, (iii)
18 whether the units are inhabited or uninhabited, as
19 determined not less than 45 days before the date that the
20 ordinance or resolution required by subsection (a) of
21 Section 11-74.4-5 is passed, and (iv) data as to the racial
22 and ethnic composition of the residents in the inhabited
23 residential units. The data requirement as to the racial
24 and ethnic composition of the residents in the inhabited
25 residential units shall be deemed to be fully satisfied by
26 data from the most recent federal census.

27 Part II of the housing impact study shall identify the
28 inhabited residential units in the proposed redevelopment
29 project area that are to be or may be removed. If inhabited
30 residential units are to be removed, then the housing
31 impact study shall identify (i) the number and location of
32 those units that will or may be removed, (ii) the
33 municipality's plans for relocation assistance for those
34 residents in the proposed redevelopment project area whose

1 residences are to be removed, (iii) the availability of
2 replacement housing for those residents whose residences
3 are to be removed, and shall identify the type, location,
4 and cost of the housing, and (iv) the type and extent of
5 relocation assistance to be provided.

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

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

30 (8) On and after November 1, 1999, if, after the
31 adoption of the redevelopment plan for the redevelopment
32 project area, any municipality desires to amend its
33 redevelopment plan to remove more inhabited residential
34 units than specified in its original redevelopment plan,

1 that change shall be made in accordance with the procedures
2 in subsection (c) of Section 11-74.4-5.

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

17 (o) "Redevelopment project" means any public and private
18 development project in furtherance of the objectives of a
19 redevelopment plan. On and after November 1, 1999 (the
20 effective date of Public Act 91-478), no redevelopment plan may
21 be approved or amended that includes the development of vacant
22 land (i) with a golf course and related clubhouse and other
23 facilities or (ii) designated by federal, State, county, or
24 municipal government as public land for outdoor recreational
25 activities or for nature preserves and used for that purpose
26 within 5 years prior to the adoption of the redevelopment plan.
27 For the purpose of this subsection, "recreational activities"
28 is limited to mean camping and hunting.

29 (p) "Redevelopment project area" means an area designated
30 by the municipality, which is not less in the aggregate than 1
31 1/2 acres and in respect to which the municipality has made a
32 finding that there exist conditions which cause the area to be
33 classified as an industrial park conservation area or a
34 blighted area or a conservation area, or a combination of both

1 blighted areas and conservation areas.

2 (q) "Redevelopment project costs" mean and include the sum
3 total of all reasonable or necessary costs incurred or
4 estimated to be incurred, and any such costs incidental to a
5 redevelopment plan and a redevelopment project. Such costs
6 include, without limitation, the following:

7 (1) Costs of studies, surveys, development of plans,
8 and specifications, implementation and administration of
9 the redevelopment plan including but not limited to staff
10 and professional service costs for architectural,
11 engineering, legal, financial, planning or other services,
12 provided however that no charges for professional services
13 may be based on a percentage of the tax increment
14 collected; except that on and after November 1, 1999 (the
15 effective date of Public Act 91-478), no contracts for
16 professional services, excluding architectural and
17 engineering services, may be entered into if the terms of
18 the contract extend beyond a period of 3 years. In
19 addition, "redevelopment project costs" shall not include
20 lobbying expenses. After consultation with the
21 municipality, each tax increment consultant or advisor to a
22 municipality that plans to designate or has designated a
23 redevelopment project area shall inform the municipality
24 in writing of any contracts that the consultant or advisor
25 has entered into with entities or individuals that have
26 received, or are receiving, payments financed by tax
27 increment revenues produced by the redevelopment project
28 area with respect to which the consultant or advisor has
29 performed, or will be performing, service for the
30 municipality. This requirement shall be satisfied by the
31 consultant or advisor before the commencement of services
32 for the municipality and thereafter whenever any other
33 contracts with those individuals or entities are executed
34 by the consultant or advisor;

1 (1.5) After July 1, 1999, annual administrative costs
2 shall not include general overhead or administrative costs
3 of the municipality that would still have been incurred by
4 the municipality if the municipality had not designated a
5 redevelopment project area or approved a redevelopment
6 plan;

7 (1.6) The cost of marketing sites within the
8 redevelopment project area to prospective businesses,
9 developers, and investors;

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

18 (3) Costs of rehabilitation, reconstruction or repair
19 or remodeling of existing public or private buildings,
20 fixtures, and leasehold improvements; and the cost of
21 replacing an existing public building if pursuant to the
22 implementation of a redevelopment project the existing
23 public building is to be demolished to use the site for
24 private investment or devoted to a different use requiring
25 private investment;

26 (4) Costs of the construction of public works or
27 improvements, except that on and after November 1, 1999,
28 redevelopment project costs shall not include the cost of
29 constructing a new municipal public building principally
30 used to provide offices, storage space, or conference
31 facilities or vehicle storage, maintenance, or repair for
32 administrative, public safety, or public works personnel
33 and that is not intended to replace an existing public
34 building as provided under paragraph (3) of subsection (q)

1 of Section 11-74.4-3 unless either (i) the construction of
2 the new municipal building implements a redevelopment
3 project that was included in a redevelopment plan that was
4 adopted by the municipality prior to November 1, 1999 or
5 (ii) the municipality makes a reasonable determination in
6 the redevelopment plan, supported by information that
7 provides the basis for that determination, that the new
8 municipal building is required to meet an increase in the
9 need for public safety purposes anticipated to result from
10 the implementation of the redevelopment plan;

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

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

23 (7) To the extent the municipality by written agreement
24 accepts and approves the same, all or a portion of a taxing
25 district's capital costs resulting from the redevelopment
26 project necessarily incurred or to be incurred within a
27 taxing district in furtherance of the objectives of the
28 redevelopment plan and project.

29 (7.5) For redevelopment project areas designated (or
30 redevelopment project areas amended to add or increase the
31 number of tax-increment-financing assisted housing units)
32 on or after November 1, 1999, an elementary, secondary, or
33 unit school district's increased costs attributable to
34 assisted housing units located within the redevelopment

1 project area for which the developer or redeveloper
2 receives financial assistance through an agreement with
3 the municipality or because the municipality incurs the
4 cost of necessary infrastructure improvements within the
5 boundaries of the assisted housing sites necessary for the
6 completion of that housing as authorized by this Act, and
7 which costs shall be paid by the municipality from the
8 Special Tax Allocation Fund when the tax increment revenue
9 is received as a result of the assisted housing units and
10 shall be calculated annually as follows:

11 (A) for foundation districts, excluding any school
12 district in a municipality with a population in excess
13 of 1,000,000, by multiplying the district's increase
14 in attendance resulting from the net increase in new
15 students enrolled in that school district who reside in
16 housing units within the redevelopment project area
17 that have received financial assistance through an
18 agreement with the municipality or because the
19 municipality incurs the cost of necessary
20 infrastructure improvements within the boundaries of
21 the housing sites necessary for the completion of that
22 housing as authorized by this Act since the designation
23 of the redevelopment project area by the most recently
24 available per capita tuition cost as defined in Section
25 10-20.12a of the School Code less any increase in
26 general State aid as defined in Section 18-8.05 of the
27 School Code attributable to these added new students
28 subject to the following annual limitations:

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

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

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

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

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

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

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

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

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

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

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

28 (iii) the amount reimbursed may not affect
29 amounts otherwise obligated by the terms of any
30 bonds, notes, or other funding instruments, or the
31 terms of any redevelopment agreement.

32 Any school district seeking payment under this
33 paragraph (7.5) shall, after July 1 and before
34 September 30 of each year, provide the municipality

1 with reasonable evidence to support its claim for
2 reimbursement before the municipality shall be
3 required to approve or make the payment to the school
4 district. If the school district fails to provide the
5 information during this period in any year, it shall
6 forfeit any claim to reimbursement for that year.
7 School districts may adopt a resolution waiving the
8 right to all or a portion of the reimbursement
9 otherwise required by this paragraph (7.5). By
10 acceptance of this reimbursement the school district
11 waives the right to directly or indirectly set aside,
12 modify, or contest in any manner the establishment of
13 the redevelopment project area or projects;

14 (7.7) For redevelopment project areas designated (or
15 redevelopment project areas amended to add or increase the
16 number of tax-increment-financing assisted housing units)
17 on or after January 1, 2005 (the effective date of Public
18 Act 93-961) ~~this amendatory Act of the 93rd General~~
19 ~~Assembly~~, a public library district's increased costs
20 attributable to assisted housing units located within the
21 redevelopment project area for which the developer or
22 redeveloper receives financial assistance through an
23 agreement with the municipality or because the
24 municipality incurs the cost of necessary infrastructure
25 improvements within the boundaries of the assisted housing
26 sites necessary for the completion of that housing as
27 authorized by this Act shall be paid to the library
28 district by the municipality from the Special Tax
29 Allocation Fund when the tax increment revenue is received
30 as a result of the assisted housing units. This paragraph
31 (7.7) applies only if (i) the library district is located
32 in a county that is subject to the Property Tax Extension
33 Limitation Law or (ii) the library district is not located
34 in a county that is subject to the Property Tax Extension

1 Limitation Law but the district is prohibited by any other
2 law from increasing its tax levy rate without a prior voter
3 referendum.

4 The amount paid to a library district under this
5 paragraph (7.7) shall be calculated by multiplying (i) the
6 net increase in the number of persons eligible to obtain a
7 library card in that district who reside in housing units
8 within the redevelopment project area that have received
9 financial assistance through an agreement with the
10 municipality or because the municipality incurs the cost of
11 necessary infrastructure improvements within the
12 boundaries of the housing sites necessary for the
13 completion of that housing as authorized by this Act since
14 the designation of the redevelopment project area by (ii)
15 the per-patron cost of providing library services so long
16 as it does not exceed \$120. The per-patron cost shall be
17 the Total Operating Expenditures Per Capita as stated in
18 the most recent Illinois Public Library Statistics
19 produced by the Library Research Center at the University
20 of Illinois. The municipality may deduct from the amount
21 that it must pay to a library district under this paragraph
22 any amount that it has voluntarily paid to the library
23 district from the tax increment revenue. The amount paid to
24 a library district under this paragraph (7.7) shall be no
25 more than 2% of the amount produced by the assisted housing
26 units and deposited into the Special Tax Allocation Fund.

27 A library district is not eligible for any payment
28 under this paragraph (7.7) unless the library district has
29 experienced an increase in the number of patrons from the
30 municipality that created the tax-increment-financing
31 district since the designation of the redevelopment
32 project area.

33 Any library district seeking payment under this
34 paragraph (7.7) shall, after July 1 and before September 30

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

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

19 (9) Payment in lieu of taxes;

20 (10) Costs of job training, retraining, advanced
21 vocational education or career education, including but
22 not limited to courses in occupational, semi-technical or
23 technical fields leading directly to employment, incurred
24 by one or more taxing districts, provided that such costs
25 (i) are related to the establishment and maintenance of
26 additional job training, advanced vocational education or
27 career education programs for persons employed or to be
28 employed by employers located in a redevelopment project
29 area; and (ii) when incurred by a taxing district or taxing
30 districts other than the municipality, are set forth in a
31 written agreement by or among the municipality and the
32 taxing district or taxing districts, which agreement
33 describes the program to be undertaken, including but not
34 limited to the number of employees to be trained, a

1 description of the training and services to be provided,
2 the number and type of positions available or to be
3 available, itemized costs of the program and sources of
4 funds to pay for the same, and the term of the agreement.
5 Such costs include, specifically, the payment by community
6 college districts of costs pursuant to Sections 3-37, 3-38,
7 3-40 and 3-40.1 of the Public Community College Act and by
8 school districts of costs pursuant to Sections 10-22.20a
9 and 10-23.3a of The School Code;

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

13 (A) such costs are to be paid directly from the
14 special tax allocation fund established pursuant to
15 this Act;

16 (B) such payments in any one year may not exceed
17 30% of the annual interest costs incurred by the
18 redeveloper with regard to the redevelopment project
19 during that year;

20 (C) if there are not sufficient funds available in
21 the special tax allocation fund to make the payment
22 pursuant to this paragraph (11) then the amounts so due
23 shall accrue and be payable when sufficient funds are
24 available in the special tax allocation fund;

25 (D) the total of such interest payments paid
26 pursuant to this Act may not exceed 30% of the total
27 (i) cost paid or incurred by the redeveloper for the
28 redevelopment project plus (ii) redevelopment project
29 costs excluding any property assembly costs and any
30 relocation costs incurred by a municipality pursuant
31 to this Act; and

32 (E) the cost limits set forth in subparagraphs (B)
33 and (D) of paragraph (11) shall be modified for the
34 financing of rehabilitated or new housing units for

1 low-income households and very low-income households,
2 as defined in Section 3 of the Illinois Affordable
3 Housing Act. The percentage of 75% shall be substituted
4 for 30% in subparagraphs (B) and (D) of paragraph (11).

5 (F) Instead of the eligible costs provided by
6 subparagraphs (B) and (D) of paragraph (11), as
7 modified by this subparagraph, and notwithstanding any
8 other provisions of this Act to the contrary, the
9 municipality may pay from tax increment revenues up to
10 50% of the cost of construction of new housing units to
11 be occupied by low-income households and very
12 low-income households as defined in Section 3 of the
13 Illinois Affordable Housing Act. The cost of
14 construction of those units may be derived from the
15 proceeds of bonds issued by the municipality under this
16 Act or other constitutional or statutory authority or
17 from other sources of municipal revenue that may be
18 reimbursed from tax increment revenues or the proceeds
19 of bonds issued to finance the construction of that
20 housing.

21 The eligible costs provided under this
22 subparagraph (F) of paragraph (11) shall be an eligible
23 cost for the construction, renovation, and
24 rehabilitation of all low and very low-income housing
25 units, as defined in Section 3 of the Illinois
26 Affordable Housing Act, within the redevelopment
27 project area. If the low and very low-income units are
28 part of a residential redevelopment project that
29 includes units not affordable to low and very
30 low-income households, only the low and very
31 low-income units shall be eligible for benefits under
32 subparagraph (F) of paragraph (11). The standards for
33 maintaining the occupancy by low-income households and
34 very low-income households, as defined in Section 3 of

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

25 (11.5) If the redevelopment project area is located
26 within a municipality with a population of more than
27 100,000, the cost of day care services for children of
28 employees from low-income families working for businesses
29 located within the redevelopment project area and all or a
30 portion of the cost of operation of day care centers
31 established by redevelopment project area businesses to
32 serve employees from low-income families working in
33 businesses located in the redevelopment project area. For
34 the purposes of this paragraph, "low-income families"

1 means families whose annual income does not exceed 80% of
2 the municipal, county, or regional median income, adjusted
3 for family size, as the annual income and municipal,
4 county, or regional median income are determined from time
5 to time by the United States Department of Housing and
6 Urban Development.

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

10 (13) After November 1, 1999 (the effective date of
11 Public Act 91-478), none of the redevelopment project costs
12 enumerated in this subsection shall be eligible
13 redevelopment project costs if those costs would provide
14 direct financial support to a retail entity initiating
15 operations in the redevelopment project area while
16 terminating operations at another Illinois location within
17 10 miles of the redevelopment project area but outside the
18 boundaries of the redevelopment project area municipality.
19 For purposes of this paragraph, termination means a closing
20 of a retail operation that is directly related to the
21 opening of the same operation or like retail entity owned
22 or operated by more than 50% of the original ownership in a
23 redevelopment project area, but it does not mean closing an
24 operation for reasons beyond the control of the retail
25 entity, as documented by the retail entity, subject to a
26 reasonable finding by the municipality that the current
27 location contained inadequate space, had become
28 economically obsolete, or was no longer a viable location
29 for the retailer or serviceman.

30 If a special service area has been established pursuant to
31 the Special Service Area Tax Act or Special Service Area Tax
32 Law, then any tax increment revenues derived from the tax
33 imposed pursuant to the Special Service Area Tax Act or Special
34 Service Area Tax Law may be used within the redevelopment

1 project area for the purposes permitted by that Act or Law as
2 well as the purposes permitted by this Act.

3 (r) "State Sales Tax Boundary" means the redevelopment
4 project area or the amended redevelopment project area
5 boundaries which are determined pursuant to subsection (9) of
6 Section 11-74.4-8a of this Act. The Department of Revenue shall
7 certify pursuant to subsection (9) of Section 11-74.4-8a the
8 appropriate boundaries eligible for the determination of State
9 Sales Tax Increment.

10 (s) "State Sales Tax Increment" means an amount equal to
11 the increase in the aggregate amount of taxes paid by retailers
12 and servicemen, other than retailers and servicemen subject to
13 the Public Utilities Act, on transactions at places of business
14 located within a State Sales Tax Boundary pursuant to the
15 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
16 Tax Act, and the Service Occupation Tax Act, except such
17 portion of such increase that is paid into the State and Local
18 Sales Tax Reform Fund, the Local Government Distributive Fund,
19 the Local Government Tax Fund and the County and Mass Transit
20 District Fund, for as long as State participation exists, over
21 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
22 Tax Amounts or the Revised Initial Sales Tax Amounts for such
23 taxes as certified by the Department of Revenue and paid under
24 those Acts by retailers and servicemen on transactions at
25 places of business located within the State Sales Tax Boundary
26 during the base year which shall be the calendar year
27 immediately prior to the year in which the municipality adopted
28 tax increment allocation financing, less 3.0% of such amounts
29 generated under the Retailers' Occupation Tax Act, Use Tax Act
30 and Service Use Tax Act and the Service Occupation Tax Act,
31 which sum shall be appropriated to the Department of Revenue to
32 cover its costs of administering and enforcing this Section.
33 For purposes of computing the aggregate amount of such taxes
34 for base years occurring prior to 1985, the Department of

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

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

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

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

14 (v) As used in subsection (a) of Section 11-74.4-3 of this
15 Act, "vacant land" means any parcel or combination of parcels
16 of real property without industrial, commercial, and
17 residential buildings which has not been used for commercial
18 agricultural purposes within 5 years prior to the designation
19 of the redevelopment project area, unless the parcel is
20 included in an industrial park conservation area or the parcel
21 has been subdivided; provided that if the parcel was part of a
22 larger tract that has been divided into 3 or more smaller
23 tracts that were accepted for recording during the period from
24 1950 to 1990, then the parcel shall be deemed to have been
25 subdivided, and all proceedings and actions of the municipality
26 taken in that connection with respect to any previously
27 approved or designated redevelopment project area or amended
28 redevelopment project area are hereby validated and hereby
29 declared to be legally sufficient for all purposes of this Act.
30 For purposes of this Section and only for land subject to the
31 subdivision requirements of the Plat Act, land is subdivided
32 when the original plat of the proposed Redevelopment Project
33 Area or relevant portion thereof has been properly certified,
34 acknowledged, approved, and recorded or filed in accordance

1 with the Plat Act and a preliminary plat, if any, for any
2 subsequent phases of the proposed Redevelopment Project Area or
3 relevant portion thereof has been properly approved and filed
4 in accordance with the applicable ordinance of the
5 municipality.

6 (w) "Annual Total Increment" means the sum of each
7 municipality's annual Net Sales Tax Increment and each
8 municipality's annual Net Utility Tax Increment. The ratio of
9 the Annual Total Increment of each municipality to the Annual
10 Total Increment for all municipalities, as most recently
11 calculated by the Department, shall determine the proportional
12 shares of the Illinois Tax Increment Fund to be distributed to
13 each municipality.

14 (Source: P.A. 92-263, eff. 8-7-01; 92-406, eff. 1-1-02; 92-624,
15 eff. 7-11-02; 92-651, eff. 7-11-02; 93-298, eff. 7-23-03;
16 93-708, eff. 1-1-05; 93-747, eff. 7-15-04; 93-924, eff.
17 8-12-04; 93-961, eff. 1-1-05; 93-983, eff. 8-23-04; 93-984,
18 eff. 8-23-04; 93-985, eff. 8-23-04; 93-986, eff. 8-23-04;
19 93-987, eff. 8-23-04; 93-995, eff. 8-23-04; 93-1024, eff.
20 8-25-04; 93-1076, eff. 1-18-05; revised 1-25-05.)".

21 (65 ILCS 5/11-74.4-7) (from Ch. 24, par. 11-74.4-7)

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

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

31 Without limiting the foregoing in this Section, the
32 municipality may in addition to obligations secured by the
33 special tax allocation fund pledge for a period not greater
34 than the term of the obligations towards payment of such

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

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

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

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

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

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

34 In the event the municipality authorizes issuance of

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

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

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

1 adopted in December 1983, April 1984, July 1985, or December
2 1989, or (C) if the ordinance was adopted in December, 1987 and
3 the redevelopment project is located within one mile of Midway
4 Airport, or (D) if the ordinance was adopted before January 1,
5 1987 by a municipality in Mason County, or (E) if the
6 municipality is subject to the Local Government Financial
7 Planning and Supervision Act or the Financially Distressed City
8 Law, or (F) if the ordinance was adopted in December 1984 by
9 the Village of Rosemont, or (G) if the ordinance was adopted on
10 December 31, 1986 by a municipality located in Clinton County
11 for which at least \$250,000 of tax increment bonds were
12 authorized on June 17, 1997, or if the ordinance was adopted on
13 December 31, 1986 by a municipality with a population in 1990
14 of less than 3,600 that is located in a county with a
15 population in 1990 of less than 34,000 and for which at least
16 \$250,000 of tax increment bonds were authorized on June 17,
17 1997, or (H) if the ordinance was adopted on October 5, 1982 by
18 the City of Kankakee, or (I) if the ordinance was adopted on
19 December 29, 1986 by East St. Louis, or if the ordinance was
20 adopted on November 12, 1991 by the Village of Sauget, or (J)
21 if the ordinance was adopted on February 11, 1985 by the City
22 of Rock Island, or (K) if the ordinance was adopted before
23 December 18, 1986 by the City of Moline, or (L) if the
24 ordinance was adopted in September 1988 by Sauk Village, or (M)
25 if the ordinance was adopted in October 1993 by Sauk Village,
26 or (N) if the ordinance was adopted on December 29, 1986 by the
27 City of Galva, or (O) if the ordinance was adopted in March
28 1991 by the City of Centreville, or (P) if the ordinance was
29 adopted on January 23, 1991 by the City of East St. Louis, or
30 (Q) if the ordinance was adopted on December 22, 1986 by the
31 City of Aledo, or (R) if the ordinance was adopted on February
32 5, 1990 by the City of Clinton, or (S) if the ordinance was
33 adopted on September 6, 1994 by the City of Freeport, or (T) if
34 the ordinance was adopted on December 22, 1986 by the City of

1 Tuscola, or (U) if the ordinance was adopted on December 23,
2 1986 by the City of Sparta, or (V) if the ordinance was adopted
3 on December 23, 1986 by the City of Beardstown, or (W) if the
4 ordinance was adopted on April 27, 1981, October 21, 1985, or
5 December 30, 1986 by the City of Belleville, or (X) if the
6 ordinance was adopted on December 29, 1986 by the City of
7 Collinsville, or (Y) if the ordinance was adopted on September
8 14, 1994 by the City of Alton, or (Z) if the ordinance was
9 adopted on November 11, 1996 by the City of Lexington, or (AA)
10 if the ordinance was adopted on November 5, 1984 by the City of
11 LeRoy, or (BB) if the ordinance was adopted on April 3, 1991 or
12 June 3, 1992 by the City of Markham, or (CC) if the ordinance
13 was adopted on November 11, 1986 by the City of Pekin, or (DD)
14 ~~(CC)~~ if the ordinance was adopted on December 15, 1981 by the
15 City of Champaign, or (EE) ~~(CC)~~ if the ordinance was adopted on
16 December 15, 1986 by the City of Urbana, or (FF) ~~(CC)~~ if the
17 ordinance was adopted on December 15, 1986 by the Village of
18 Heyworth, or (GG) ~~(CC)~~ if the ordinance was adopted on February
19 24, 1992 by the Village of Heyworth, or (HH) ~~(CC)~~ if the
20 ordinance was adopted on March 16, 1995 by the Village of
21 Heyworth, or (II) ~~(CC)~~ if the ordinance was adopted on December
22 23, 1986 by the Town of Cicero, or (JJ) ~~(CC)~~ if the ordinance
23 was adopted on December 30, 1986 by the City of Effingham, or
24 (KK) ~~(CC)~~ if the ordinance was adopted on May 9, 1991 by the
25 Village of Tilton, or (LL) ~~(CC)~~ if the ordinance was adopted on
26 October 20, 1986 by the City of Elmhurst, or (MM) ~~(CC)~~ if the
27 ordinance was adopted on January 19, 1988 by the City of
28 Waukegan, or (NN) ~~(DD)~~ if the ordinance was adopted on
29 September 21, 1998 by the City of Waukegan, or (OO) if the
30 ordinance was adopted on February 2, 1998 by the Village of
31 Woodhull and, for redevelopment project areas for which bonds
32 were issued before July 29, 1991, in connection with a
33 redevelopment project in the area within the State Sales Tax
34 Boundary and which were extended by municipal ordinance under

1 subsection (n) of Section 11-74.4-3, the last maturity of the
2 refunding obligations shall not be expressed to mature later
3 than the date on which the redevelopment project area is
4 terminated or December 31, 2013, whichever date occurs first.

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

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

17 (Source: P.A. 92-263, eff. 8-7-01; 92-406, eff. 1-1-02; 92-624,
18 eff. 7-11-02; 92-651, eff. 7-11-02; 93-298, eff. 7-23-03;
19 93-708, eff. 1-1-05; 93-747, eff. 7-15-04; 93-924, eff.
20 8-12-04; 93-983, eff. 8-23-04; 93-984, eff. 8-23-04; 93-985,
21 eff. 8-23-04; 93-986, eff. 8-23-04; 93-987, eff. 8-23-04;
22 93-995, eff. 8-23-04; 93-1024, eff. 8-25-04; 93-1076, eff.
23 1-18-05; revised 1-25-05.)".