

1 AN ACT concerning local government.

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

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

6 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

7 (Text of Section before amendment by P.A. 94-702 and  
8 94-711)

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

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

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

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

31 (A) Dilapidation. An advanced state of disrepair  
32 or neglect of necessary repairs to the primary

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

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

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

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

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

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

34 (G) Lack of ventilation, light, or sanitary  
35 facilities. The absence of adequate ventilation for  
36 light or air circulation in spaces or rooms without

1 windows, or that require the removal of dust, odor,  
2 gas, smoke, or other noxious airborne materials.  
3 Inadequate natural light and ventilation means the  
4 absence of skylights or windows for interior spaces or  
5 rooms and improper window sizes and amounts by room  
6 area to window area ratios. Inadequate sanitary  
7 facilities refers to the absence or inadequacy of  
8 garbage storage and enclosure, bathroom facilities,  
9 hot water and kitchens, and structural inadequacies  
10 preventing ingress and egress to and from all rooms and  
11 units within a building.

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

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

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

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

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

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

34 (M) The total equalized assessed value of the  
35 proposed redevelopment project area has declined for 3  
36 of the last 5 calendar years prior to the year in which

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

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

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

29 (B) Diversity of ownership of parcels of vacant  
30 land sufficient in number to retard or impede the  
31 ability to assemble the land for development.

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

35 (D) Deterioration of structures or site  
36 improvements in neighboring areas adjacent to the

1 vacant land.

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

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

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

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

36 (B) The area consists of unused rail yards, rail

1 tracks, or railroad rights-of-way.

2 (C) The area, prior to its designation, is subject  
3 to (i) chronic flooding that adversely impacts on real  
4 property in the area as certified by a registered  
5 professional engineer or appropriate regulatory agency  
6 or (ii) surface water that discharges from all or a  
7 part of the area and contributes to flooding within the  
8 same watershed, but only if the redevelopment project  
9 provides for facilities or improvements to contribute  
10 to the alleviation of all or part of the flooding.

11 (D) The area consists of an unused or illegal  
12 disposal site containing earth, stone, building  
13 debris, or similar materials that were removed from  
14 construction, demolition, excavation, or dredge sites.

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

26 (F) The area qualified as a blighted improved area  
27 immediately prior to becoming vacant, unless there has  
28 been substantial private investment in the immediately  
29 surrounding area.

30 (b) For any redevelopment project area that has been  
31 designated pursuant to this Section by an ordinance adopted  
32 prior to November 1, 1999 (the effective date of Public Act  
33 91-478), "conservation area" shall have the meaning set forth  
34 in this Section prior to that date.

35 On and after November 1, 1999, "conservation area" means  
36 any improved area within the boundaries of a redevelopment

1 project area located within the territorial limits of the  
2 municipality in which 50% or more of the structures in the area  
3 have an age of 35 years or more. Such an area is not yet a  
4 blighted area but because of a combination of 3 or more of the  
5 following factors is detrimental to the public safety, health,  
6 morals or welfare and such an area may become a blighted area:

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

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

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

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

32 (5) Illegal use of individual structures. The use of  
33 structures in violation of applicable federal, State, or  
34 local laws, exclusive of those applicable to the presence  
35 of structures below minimum code standards.

36 (6) Excessive vacancies. The presence of buildings



1 that are unoccupied or under-utilized and that represent an  
2 adverse influence on the area because of the frequency,  
3 extent, or duration of the vacancies.

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

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

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

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

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

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

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

35 (13) The total equalized assessed value of the proposed  
36 redevelopment project area has declined for 3 of the last 5

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

9 (c) "Industrial park" means an area in a blighted or  
10 conservation area suitable for use by any manufacturing,  
11 industrial, research or transportation enterprise, of  
12 facilities to include but not be limited to factories, mills,  
13 processing plants, assembly plants, packing plants,  
14 fabricating plants, industrial distribution centers,  
15 warehouses, repair overhaul or service facilities, freight  
16 terminals, research facilities, test facilities or railroad  
17 facilities.

18 (d) "Industrial park conservation area" means an area  
19 within the boundaries of a redevelopment project area located  
20 within the territorial limits of a municipality that is a labor  
21 surplus municipality or within 1 1/2 miles of the territorial  
22 limits of a municipality that is a labor surplus municipality  
23 if the area is annexed to the municipality; which area is zoned  
24 as industrial no later than at the time the municipality by  
25 ordinance designates the redevelopment project area, and which  
26 area includes both vacant land suitable for use as an  
27 industrial park and a blighted area or conservation area  
28 contiguous to such vacant land.

29 (e) "Labor surplus municipality" means a municipality in  
30 which, at any time during the 6 months before the municipality  
31 by ordinance designates an industrial park conservation area,  
32 the unemployment rate was over 6% and was also 100% or more of  
33 the national average unemployment rate for that same time as  
34 published in the United States Department of Labor Bureau of  
35 Labor Statistics publication entitled "The Employment  
36 Situation" or its successor publication. For the purpose of

1 this subsection, if unemployment rate statistics for the  
2 municipality are not available, the unemployment rate in the  
3 municipality shall be deemed to be the same as the unemployment  
4 rate in the principal county in which the municipality is  
5 located.

6 (f) "Municipality" shall mean a city, village,  
7 incorporated town, or a township that is located in the  
8 unincorporated portion of a county with 3 million or more  
9 inhabitants, if the county adopted an ordinance that approved  
10 the township's redevelopment plan.

11 (g) "Initial Sales Tax Amounts" means the amount of taxes  
12 paid under the Retailers' Occupation Tax Act, Use Tax Act,  
13 Service Use Tax Act, the Service Occupation Tax Act, the  
14 Municipal Retailers' Occupation Tax Act, and the Municipal  
15 Service Occupation Tax Act by retailers and servicemen on  
16 transactions at places located in a State Sales Tax Boundary  
17 during the calendar year 1985.

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

25 (h) "Municipal Sales Tax Increment" means an amount equal  
26 to the increase in the aggregate amount of taxes paid to a  
27 municipality from the Local Government Tax Fund arising from  
28 sales by retailers and servicemen within the redevelopment  
29 project area or State Sales Tax Boundary, as the case may be,  
30 for as long as the redevelopment project area or State Sales  
31 Tax Boundary, as the case may be, exist over and above the  
32 aggregate amount of taxes as certified by the Illinois  
33 Department of Revenue and paid under the Municipal Retailers'  
34 Occupation Tax Act and the Municipal Service Occupation Tax Act  
35 by retailers and servicemen, on transactions at places of  
36 business located in the redevelopment project area or State

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

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

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

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

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

35 (j) "State Utility Tax Increment Amount" means an amount  
36 equal to the aggregate increase in State electric and gas tax

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

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

32 Municipalities that issue bonds in connection with the  
33 redevelopment project during the period from June 1, 1988 until  
34 3 years after the effective date of this Amendatory Act of 1988  
35 shall receive the Net State Utility Tax Increment, subject to  
36 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  
35 amended that includes the development of vacant land (i) with a  
36 golf course and related clubhouse and other facilities or (ii)

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

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

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

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

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

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

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

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

27 (H) a commitment to fair employment practices and an  
28 affirmative action plan;

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

36 (J) if property is to be annexed to the municipality,

1 the plan shall include the terms of the annexation  
2 agreement.

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

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

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

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

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

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

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

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

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

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

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

29                (G) if the ordinance was adopted on December 31,  
30                1986 by a municipality located in Clinton County for  
31                which at least \$250,000 of tax increment bonds were  
32                authorized on June 17, 1997, or if the ordinance was  
33                adopted on December 31, 1986 by a municipality with a  
34                population in 1990 of less than 3,600 that is located  
35                in a county with a population in 1990 of less than  
36                34,000 and for which at least \$250,000 of tax increment

1 bonds were authorized on June 17, 1997, or  
2 (H) if the ordinance was adopted on October 5, 1982  
3 by the City of Kankakee, or if the ordinance was  
4 adopted on December 29, 1986 by East St. Louis, or  
5 (I) if the ordinance was adopted on November 12,  
6 1991 by the Village of Sauget, or  
7 (J) if the ordinance was adopted on February 11,  
8 1985 by the City of Rock Island, or  
9 (K) if the ordinance was adopted before December  
10 18, 1986 by the City of Moline, or  
11 (L) if the ordinance was adopted in September 1988  
12 by Sauk Village, or  
13 (M) if the ordinance was adopted in October 1993 by  
14 Sauk Village, or  
15 (N) if the ordinance was adopted on December 29,  
16 1986 by the City of Galva, or  
17 (O) if the ordinance was adopted in March 1991 by  
18 the City of Centreville, or  
19 (P) if the ordinance was adopted on January 23,  
20 1991 by the City of East St. Louis, or  
21 (Q) if the ordinance was adopted on December 22,  
22 1986 by the City of Aledo, or  
23 (R) if the ordinance was adopted on February 5,  
24 1990 by the City of Clinton, or  
25 (S) if the ordinance was adopted on September 6,  
26 1994 by the City of Freeport, or  
27 (T) if the ordinance was adopted on December 22,  
28 1986 by the City of Tuscola, or  
29 (U) if the ordinance was adopted on December 23,  
30 1986 by the City of Sparta, or  
31 (V) if the ordinance was adopted on December 23,  
32 1986 by the City of Beardstown, or  
33 (W) if the ordinance was adopted on April 27, 1981,  
34 October 21, 1985, or December 30, 1986 by the City of  
35 Belleville, or  
36 (X) if the ordinance was adopted on December 29,

1           1986 by the City of Collinsville, or  
2           (Y) if the ordinance was adopted on September 14,  
3           1994 by the City of Alton, or  
4           (Z) if the ordinance was adopted on November 11,  
5           1996 by the City of Lexington, or  
6           (AA) if the ordinance was adopted on November 5,  
7           1984 by the City of LeRoy, or  
8           (BB) if the ordinance was adopted on April 3, 1991  
9           or June 3, 1992 by the City of Markham, or  
10          (CC) if the ordinance was adopted on November 11,  
11          1986 by the City of Pekin, or  
12          (DD) if the ordinance was adopted on December 15,  
13          1981 by the City of Champaign, or  
14          (EE) if the ordinance was adopted on December 15,  
15          1986 by the City of Urbana, or  
16          (FF) if the ordinance was adopted on December 15,  
17          1986 by the Village of Heyworth, or  
18          (GG) if the ordinance was adopted on February 24,  
19          1992 by the Village of Heyworth, or  
20          (HH) if the ordinance was adopted on March 16, 1995  
21          by the Village of Heyworth, or  
22          (II) if the ordinance was adopted on December 23,  
23          1986 by the Town of Cicero, or  
24          (JJ) if the ordinance was adopted on December 30,  
25          1986 by the City of Effingham, or  
26          (KK) if the ordinance was adopted on May 9, 1991 by  
27          the Village of Tilton, or  
28          (LL) if the ordinance was adopted on October 20,  
29          1986 by the City of Elmhurst, or  
30          (MM) if the ordinance was adopted on January 19,  
31          1988 by the City of Waukegan, or  
32          (NN) if the ordinance was adopted on September 21,  
33          1998 by the City of Waukegan, or  
34          (OO) if the ordinance was adopted on December 31,  
35          1986 by the City of Sullivan, or  
36          (PP) if the ordinance was adopted on December 23,

1 1991 by the City of Sullivan, or.

2 (QQ) ~~(OO)~~ if the ordinance was adopted on December  
3 31, 1986 by the City of Oglesby, or.

4 (RR) ~~(OO)~~ if the ordinance was adopted on July 28,  
5 1987 by the City of Marion, or

6 (SS) ~~(PP)~~ if the ordinance was adopted on April 23,  
7 1990 by the City of Marion, or.

8 (TT) if the ordinance was adopted on July 1, 1986  
9 by the City of Granite City.

10 However, for redevelopment project areas for which  
11 bonds were issued before July 29, 1991, or for which  
12 contracts were entered into before June 1, 1988, in  
13 connection with a redevelopment project in the area within  
14 the State Sales Tax Boundary, the estimated dates of  
15 completion of the redevelopment project and retirement of  
16 obligations to finance redevelopment project costs may be  
17 extended by municipal ordinance to December 31, 2013. The  
18 termination procedures of subsection (b) of Section  
19 11-74.4-8 are not required for these redevelopment project  
20 areas in 2009 but are required in 2013. The extension  
21 allowed by this amendatory Act of 1993 shall not apply to  
22 real property tax increment allocation financing under  
23 Section 11-74.4-8.

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

32 Those dates, for purposes of real property tax  
33 increment allocation financing pursuant to Section  
34 11-74.4-8 only, shall be not more than 35 years for  
35 redevelopment project areas that were adopted on or after  
36 December 16, 1986 and for which at least \$8 million worth

1 of municipal bonds were authorized on or after December 19,  
2 1989 but before January 1, 1990; provided that the  
3 municipality elects to extend the life of the redevelopment  
4 project area to 35 years by the adoption of an ordinance  
5 after at least 14 but not more than 30 days' written notice  
6 to the taxing bodies, that would otherwise constitute the  
7 joint review board for the redevelopment project area,  
8 before the adoption of the ordinance.

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

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

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



1 utilized for the development of the redevelopment project  
2 area.

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

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

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

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

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

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

29 (8) On and after November 1, 1999, if, after the  
30 adoption of the redevelopment plan for the redevelopment  
31 project area, any municipality desires to amend its  
32 redevelopment plan to remove more inhabited residential  
33 units than specified in its original redevelopment plan,  
34 that change shall be made in accordance with the procedures  
35 in subsection (c) of Section 11-74.4-5.

36 (9) For redevelopment project areas designated prior

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

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

26 (p) "Redevelopment project area" means an area designated  
27 by the municipality, which is not less in the aggregate than 1  
28 1/2 acres and in respect to which the municipality has made a  
29 finding that there exist conditions which cause the area to be  
30 classified as an industrial park conservation area or a  
31 blighted area or a conservation area, or a combination of both  
32 blighted areas and conservation areas.

33 (q) "Redevelopment project costs" mean and include the sum  
34 total of all reasonable or necessary costs incurred or  
35 estimated to be incurred, and any such costs incidental to a  
36 redevelopment plan and a redevelopment project. Such costs

1 include, without limitation, the following:

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

30 (1.5) After July 1, 1999, annual administrative costs  
31 shall not include general overhead or administrative costs  
32 of the municipality that would still have been incurred by  
33 the municipality if the municipality had not designated a  
34 redevelopment project area or approved a redevelopment  
35 plan;

36 (1.6) The cost of marketing sites within the

1 redevelopment project area to prospective businesses,  
2 developers, and investors;

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

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

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

1 the implementation of the redevelopment plan;

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

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

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

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

36 (A) for foundation districts, excluding any school

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

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

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

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

36 (B) For alternate method districts, flat grant

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

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

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

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

36 (C) For any school district in a municipality with



1 a population in excess of 1,000,000, the following  
2 restrictions shall apply to the reimbursement of  
3 increased costs under this paragraph (7.5):

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

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

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

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

33 (7.7) For redevelopment project areas designated (or  
34 redevelopment project areas amended to add or increase the  
35 number of tax-increment-financing assisted housing units)  
36 on or after January 1, 2005 (the effective date of Public

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

20 The amount paid to a library district under this  
21 paragraph (7.7) shall be calculated by multiplying (i) the  
22 net increase in the number of persons eligible to obtain a  
23 library card in that district who reside in housing units  
24 within the redevelopment project area that have received  
25 financial assistance through an agreement with the  
26 municipality or because the municipality incurs the cost of  
27 necessary infrastructure improvements within the  
28 boundaries of the housing sites necessary for the  
29 completion of that housing as authorized by this Act since  
30 the designation of the redevelopment project area by (ii)  
31 the per-patron cost of providing library services so long  
32 as it does not exceed \$120. The per-patron cost shall be  
33 the Total Operating Expenditures Per Capita as stated in  
34 the most recent Illinois Public Library Statistics  
35 produced by the Library Research Center at the University  
36 of Illinois. The municipality may deduct from the amount

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

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

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

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

33 (9) Payment in lieu of taxes;

34 (10) Costs of job training, retraining, advanced  
35 vocational education or career education, including but  
36 not limited to courses in occupational, semi-technical or

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

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

25 (A) such costs are to be paid directly from the  
26 special tax allocation fund established pursuant to  
27 this Act;

28 (B) such payments in any one year may not exceed  
29 30% of the annual interest costs incurred by the  
30 redeveloper with regard to the redevelopment project  
31 during that year;

32 (C) if there are not sufficient funds available in  
33 the special tax allocation fund to make the payment  
34 pursuant to this paragraph (11) then the amounts so due  
35 shall accrue and be payable when sufficient funds are  
36 available in the special tax allocation fund;

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

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

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

31 The eligible costs provided under this  
32 subparagraph (F) of paragraph (11) shall be an eligible  
33 cost for the construction, renovation, and  
34 rehabilitation of all low and very low-income housing  
35 units, as defined in Section 3 of the Illinois  
36 Affordable Housing Act, within the redevelopment

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

33 (11.5) If the redevelopment project area is located  
34 within a municipality with a population of more than  
35 100,000, the cost of day care services for children of  
36 employees from low-income families working for businesses

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

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

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

36 If a special service area has been established pursuant to

1 the Special Service Area Tax Act or Special Service Area Tax  
2 Law, then any tax increment revenues derived from the tax  
3 imposed pursuant to the Special Service Area Tax Act or Special  
4 Service Area Tax Law may be used within the redevelopment  
5 project area for the purposes permitted by that Act or Law as  
6 well as the purposes permitted by this Act.

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

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



1 For purposes of computing the aggregate amount of such taxes  
2 for base years occurring prior to 1985, the Department of  
3 Revenue shall compute the Initial Sales Tax Amount for such  
4 taxes and deduct therefrom an amount equal to 4% of the  
5 aggregate amount of taxes per year for each year the base year  
6 is prior to 1985, but not to exceed a total deduction of 12%.  
7 The amount so determined shall be known as the "Adjusted  
8 Initial Sales Tax Amount". For purposes of determining the  
9 State Sales Tax Increment the Department of Revenue shall for  
10 each period subtract from the tax amounts received from  
11 retailers and servicemen on transactions located in the State  
12 Sales Tax Boundary, the certified Initial Sales Tax Amounts,  
13 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax  
14 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,  
15 the Service Use Tax Act and the Service Occupation Tax Act. For  
16 the State Fiscal Year 1989 this calculation shall be made by  
17 utilizing the calendar year 1987 to determine the tax amounts  
18 received. For the State Fiscal Year 1990, this calculation  
19 shall be made by utilizing the period from January 1, 1988,  
20 until September 30, 1988, to determine the tax amounts received  
21 from retailers and servicemen, which shall have deducted  
22 therefrom nine-twelfths of the certified Initial Sales Tax  
23 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
24 Initial Sales Tax Amounts as appropriate. For the State Fiscal  
25 Year 1991, this calculation shall be made by utilizing the  
26 period from October 1, 1988, until June 30, 1989, to determine  
27 the tax amounts received from retailers and servicemen, which  
28 shall have deducted therefrom nine-twelfths of the certified  
29 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax  
30 Amounts or the Revised Initial Sales Tax Amounts as  
31 appropriate. For every State Fiscal Year thereafter, the  
32 applicable period shall be the 12 months beginning July 1 and  
33 ending on June 30, to determine the tax amounts received which  
34 shall have deducted therefrom the certified Initial Sales Tax  
35 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
36 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  
35 with the Plat Act and a preliminary plat, if any, for any  
36 subsequent phases of the proposed Redevelopment Project Area or

1 relevant portion thereof has been properly approved and filed  
2 in accordance with the applicable ordinance of the  
3 municipality.

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

12 (Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05;  
13 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-961, eff.  
14 1-1-05; 93-983, eff. 8-23-04; 93-984, eff. 8-23-04; 93-985,  
15 eff. 8-23-04; 93-986, eff. 8-23-04; 93-987, eff. 8-23-04;  
16 93-995, eff. 8-23-04; 93-1024, eff. 8-25-04; 93-1076, eff.  
17 1-18-05; 94-260, eff. 7-19-05; 94-268, eff. 7-19-05; 94-297,  
18 eff. 7-21-05; 94-302, eff. 7-21-05; 94-704, eff. 12-5-05;  
19 revised 12-9-05.)

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

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

25 (a) For any redevelopment project area that has been  
26 designated pursuant to this Section by an ordinance adopted  
27 prior to November 1, 1999 (the effective date of Public Act  
28 91-478), "blighted area" shall have the meaning set forth in  
29 this Section prior to that date.

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

34 (1) If improved, industrial, commercial, and  
35 residential buildings or improvements are detrimental to

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

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

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

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

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

34 (E) Illegal use of individual structures. The use  
35 of structures in violation of applicable federal,  
36 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  
35 designation of an area as one exhibiting excessive land  
36 coverage are: (i) the presence of buildings either

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

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

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

30           (L) Lack of community planning. The proposed  
31          redevelopment project area was developed prior to or  
32          without the benefit or guidance of a community plan.  
33          This means that the development occurred prior to the  
34          adoption by the municipality of a comprehensive or  
35          other community plan or that the plan was not followed  
36          at the time of the area's development. This factor must

1 be documented by evidence of adverse or incompatible  
2 land-use relationships, inadequate street layout,  
3 improper subdivision, parcels of inadequate shape and  
4 size to meet contemporary development standards, or  
5 other evidence demonstrating an absence of effective  
6 community planning.

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

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

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

1 for public utilities.

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

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

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

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

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

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



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

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

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

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

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

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

35           (F) The area qualified as a blighted improved area  
36 immediately prior to becoming vacant, unless there has

1           been substantial private investment in the immediately  
2           surrounding area.

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

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

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

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

26           (3) Deterioration. With respect to buildings, defects  
27           including, but not limited to, major defects in the  
28           secondary building components such as doors, windows,  
29           porches, gutters and downspouts, and fascia. With respect  
30           to surface improvements, that the condition of roadways,  
31           alleys, curbs, gutters, sidewalks, off-street parking, and  
32           surface storage areas evidence deterioration, including,  
33           but not limited to, surface cracking, crumbling, potholes,  
34           depressions, loose paving material, and weeds protruding  
35           through paved surfaces.

36           (4) Presence of structures below minimum code

1 standards. All structures that do not meet the standards of  
2 zoning, subdivision, building, fire, and other  
3 governmental codes applicable to property, but not  
4 including housing and property maintenance codes.

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

9 (6) Excessive vacancies. The presence of buildings  
10 that are unoccupied or under-utilized and that represent an  
11 adverse influence on the area because of the frequency,  
12 extent, or duration of the vacancies.

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

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

34 (9) Excessive land coverage and overcrowding of  
35 structures and community facilities. The over-intensive  
36 use of property and the crowding of buildings and accessory

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

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

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

33 (12) The area has incurred Illinois Environmental  
34 Protection Agency or United States Environmental  
35 Protection Agency remediation costs for, or a study  
36 conducted by an independent consultant recognized as

1           having expertise in environmental remediation has  
2           determined a need for, the clean-up of hazardous waste,  
3           hazardous substances, or underground storage tanks  
4           required by State or federal law, provided that the  
5           remediation costs constitute a material impediment to the  
6           development or redevelopment of the redevelopment project  
7           area.

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

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

27          (d) "Industrial park conservation area" means an area  
28          within the boundaries of a redevelopment project area located  
29          within the territorial limits of a municipality that is a labor  
30          surplus municipality or within 1 1/2 miles of the territorial  
31          limits of a municipality that is a labor surplus municipality  
32          if the area is annexed to the municipality; which area is zoned  
33          as industrial no later than at the time the municipality by  
34          ordinance designates the redevelopment project area, and which  
35          area includes both vacant land suitable for use as an  
36          industrial park and a blighted area or conservation area

1 contiguous to such vacant land.

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

15 (f) "Municipality" shall mean a city, village,  
16 incorporated town, or a township that is located in the  
17 unincorporated portion of a county with 3 million or more  
18 inhabitants, if the county adopted an ordinance that approved  
19 the township's redevelopment plan.

20 (g) "Initial Sales Tax Amounts" means the amount of taxes  
21 paid under the Retailers' Occupation Tax Act, Use Tax Act,  
22 Service Use Tax Act, the Service Occupation Tax Act, the  
23 Municipal Retailers' Occupation Tax Act, and the Municipal  
24 Service Occupation Tax Act by retailers and servicemen on  
25 transactions at places located in a State Sales Tax Boundary  
26 during the calendar year 1985.

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

34 (h) "Municipal Sales Tax Increment" means an amount equal  
35 to the increase in the aggregate amount of taxes paid to a  
36 municipality from the Local Government Tax Fund arising from

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

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

19 (i) "Net State Sales Tax Increment" means the sum of the  
20 following: (a) 80% of the first \$100,000 of State Sales Tax  
21 Increment annually generated within a State Sales Tax Boundary;  
22 (b) 60% of the amount in excess of \$100,000 but not exceeding  
23 \$500,000 of State Sales Tax Increment annually generated within  
24 a State Sales Tax Boundary; and (c) 40% of all amounts in  
25 excess of \$500,000 of State Sales Tax Increment annually  
26 generated within a State Sales Tax Boundary. If, however, a  
27 municipality established a tax increment financing district in  
28 a county with a population in excess of 3,000,000 before  
29 January 1, 1986, and the municipality entered into a contract  
30 or issued bonds after January 1, 1986, but before December 31,  
31 1986, to finance redevelopment project costs within a State  
32 Sales Tax Boundary, then the Net State Sales Tax Increment  
33 means, for the fiscal years beginning July 1, 1990, and July 1,  
34 1991, 100% of the State Sales Tax Increment annually generated  
35 within a State Sales Tax Boundary; and notwithstanding any  
36 other provision of this Act, for those fiscal years the



1 Department of Revenue shall distribute to those municipalities  
2 100% of their Net State Sales Tax Increment before any  
3 distribution to any other municipality and regardless of  
4 whether or not those other municipalities will receive 100% of  
5 their Net State Sales Tax Increment. For Fiscal Year 1999, and  
6 every year thereafter until the year 2007, for any municipality  
7 that has not entered into a contract or has not issued bonds  
8 prior to June 1, 1988 to finance redevelopment project costs  
9 within a State Sales Tax Boundary, the Net State Sales Tax  
10 Increment shall be calculated as follows: By multiplying the  
11 Net State Sales Tax Increment by 90% in the State Fiscal Year  
12 1999; 80% in the State Fiscal Year 2000; 70% in the State  
13 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the  
14 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%  
15 in the State Fiscal Year 2005; 20% in the State Fiscal Year  
16 2006; and 10% in the State Fiscal Year 2007. No payment shall  
17 be made for State Fiscal Year 2008 and thereafter.

18 Municipalities that issued bonds in connection with a  
19 redevelopment project in a redevelopment project area within  
20 the State Sales Tax Boundary prior to July 29, 1991, or that  
21 entered into contracts in connection with a redevelopment  
22 project in a redevelopment project area before June 1, 1988,  
23 shall continue to receive their proportional share of the  
24 Illinois Tax Increment Fund distribution until the date on  
25 which the redevelopment project is completed or terminated. If,  
26 however, a municipality that issued bonds in connection with a  
27 redevelopment project in a redevelopment project area within  
28 the State Sales Tax Boundary prior to July 29, 1991 retires the  
29 bonds prior to June 30, 2007 or a municipality that entered  
30 into contracts in connection with a redevelopment project in a  
31 redevelopment project area before June 1, 1988 completes the  
32 contracts prior to June 30, 2007, then so long as the  
33 redevelopment project is not completed or is not terminated,  
34 the Net State Sales Tax Increment shall be calculated,  
35 beginning on the date on which the bonds are retired or the  
36 contracts are completed, as follows: By multiplying the Net

1 State Sales Tax Increment by 60% in the State Fiscal Year 2002;  
2 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year  
3 2004; 30% in the State Fiscal Year 2005; 20% in the State  
4 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No  
5 payment shall be made for State Fiscal Year 2008 and  
6 thereafter. Refunding of any bonds issued prior to July 29,  
7 1991, shall not alter the Net State Sales Tax Increment.

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

20 (k) "Net State Utility Tax Increment" means the sum of the  
21 following: (a) 80% of the first \$100,000 of State Utility Tax  
22 Increment annually generated by a redevelopment project area;  
23 (b) 60% of the amount in excess of \$100,000 but not exceeding  
24 \$500,000 of the State Utility Tax Increment annually generated  
25 by a redevelopment project area; and (c) 40% of all amounts in  
26 excess of \$500,000 of State Utility Tax Increment annually  
27 generated by a redevelopment project area. For the State Fiscal  
28 Year 1999, and every year thereafter until the year 2007, for  
29 any municipality that has not entered into a contract or has  
30 not issued bonds prior to June 1, 1988 to finance redevelopment  
31 project costs within a redevelopment project area, the Net  
32 State Utility Tax Increment shall be calculated as follows: By  
33 multiplying the Net State Utility Tax Increment by 90% in the  
34 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%  
35 in the State Fiscal Year 2001; 60% in the State Fiscal Year  
36 2002; 50% in the State Fiscal Year 2003; 40% in the State

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

5 Municipalities that issue bonds in connection with the  
6 redevelopment project during the period from June 1, 1988 until  
7 3 years after the effective date of this Amendatory Act of 1988  
8 shall receive the Net State Utility Tax Increment, subject to  
9 appropriation, for 15 State Fiscal Years after the issuance of  
10 such bonds. For the 16th through the 20th State Fiscal Years  
11 after issuance of the bonds, the Net State Utility Tax  
12 Increment shall be calculated as follows: By multiplying the  
13 Net State Utility Tax Increment by 90% in year 16; 80% in year  
14 17; 70% in year 18; 60% in year 19; and 50% in year 20.  
15 Refunding of any bonds issued prior to June 1, 1988, shall not  
16 alter the revised Net State Utility Tax Increment payments set  
17 forth above.

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

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

34 (n) "Redevelopment plan" means the comprehensive program  
35 of the municipality for development or redevelopment intended  
36 by the payment of redevelopment project costs to reduce or

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

18 (A) an itemized list of estimated redevelopment  
19 project costs;

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

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

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

29 (E) the nature and term of the obligations to be  
30 issued;

31 (F) the most recent equalized assessed valuation of the  
32 redevelopment project area;

33 (G) an estimate as to the equalized assessed valuation  
34 after redevelopment and the general land uses to apply in  
35 the redevelopment project area;

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

1 affirmative action plan;

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

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

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

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

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

36 (3) The redevelopment plan establishes the estimated

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

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

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

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

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

33 (E) if the municipality is subject to the Local  
34 Government Financial Planning and Supervision Act or  
35 the Financially Distressed City Law, or

36 (F) if the ordinance was adopted in December 1984

1 by the Village of Rosemont, or

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

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

14 (I) if the ordinance was adopted on November 12,  
15 1991 by the Village of Sauget, or

16 (J) if the ordinance was adopted on February 11,  
17 1985 by the City of Rock Island, or

18 (K) if the ordinance was adopted before December  
19 18, 1986 by the City of Moline, or

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

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

24 (N) if the ordinance was adopted on December 29,  
25 1986 by the City of Galva, or

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

28 (P) if the ordinance was adopted on January 23,  
29 1991 by the City of East St. Louis, or

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

32 (R) if the ordinance was adopted on February 5,  
33 1990 by the City of Clinton, or

34 (S) if the ordinance was adopted on September 6,  
35 1994 by the City of Freeport, or

36 (T) if the ordinance was adopted on December 22,

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



1 (LL) if the ordinance was adopted on October 20,  
2 1986 by the City of Elmhurst, or

3 (MM) if the ordinance was adopted on January 19,  
4 1988 by the City of Waukegan, or

5 (NN) if the ordinance was adopted on September 21,  
6 1998 by the City of Waukegan, or

7 (OO) if the ordinance was adopted on December 31,  
8 1986 by the City of Sullivan, or

9 (PP) if the ordinance was adopted on December 23,  
10 1991 by the City of Sullivan, or.

11 (QQ) ~~(OO)~~ if the ordinance was adopted on December  
12 31, 1986 by the City of Oglesby, or.

13 (RR) ~~(OO)~~ if the ordinance was adopted on July 28,  
14 1987 by the City of Marion, or

15 (SS) ~~(PP)~~ if the ordinance was adopted on April 23,  
16 1990 by the City of Marion, or.

17 (TT) ~~(OO)~~ if the ordinance was adopted on August  
18 20, 1985 by the Village of Mount Prospect, or.

19 (UU) ~~(OO)~~ if the ordinance was adopted on February  
20 2, 1998 by the Village of Woodhull, or.

21 (VV) if the ordinance was adopted on July 1, 1986  
22 by the City of Granite City.

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

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

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

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

36           (3.5) The municipality finds, in the case of an

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

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

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

28 Part I of the housing impact study shall include (i)  
29 data as to whether the residential units are single family  
30 or multi-family units, (ii) the number and type of rooms  
31 within the units, if that information is available, (iii)  
32 whether the units are inhabited or uninhabited, as  
33 determined not less than 45 days before the date that the  
34 ordinance or resolution required by subsection (a) of  
35 Section 11-74.4-5 is passed, and (iv) data as to the racial  
36 and ethnic composition of the residents in the inhabited

1 residential units. The data requirement as to the racial  
2 and ethnic composition of the residents in the inhabited  
3 residential units shall be deemed to be fully satisfied by  
4 data from the most recent federal census.

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

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

21 (7) On and after November 1, 1999, no redevelopment  
22 plan shall be adopted, nor an existing plan amended, nor  
23 shall residential housing that is occupied by households of  
24 low-income and very low-income persons in currently  
25 existing redevelopment project areas be removed after  
26 November 1, 1999 unless the redevelopment plan provides,  
27 with respect to inhabited housing units that are to be  
28 removed for households of low-income and very low-income  
29 persons, affordable housing and relocation assistance not  
30 less than that which would be provided under the federal  
31 Uniform Relocation Assistance and Real Property  
32 Acquisition Policies Act of 1970 and the regulations under  
33 that Act, including the eligibility criteria. Affordable  
34 housing may be either existing or newly constructed  
35 housing. For purposes of this paragraph (7), "low-income  
36 households", "very low-income households", and "affordable

1       housing" have the meanings set forth in the Illinois  
2       Affordable Housing Act. The municipality shall make a good  
3       faith effort to ensure that this affordable housing is  
4       located in or near the redevelopment project area within  
5       the municipality.

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

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

27           (o) "Redevelopment project" means any public and private  
28      development project in furtherance of the objectives of a  
29      redevelopment plan. On and after November 1, 1999 (the  
30      effective date of Public Act 91-478), no redevelopment plan may  
31      be approved or amended that includes the development of vacant  
32      land (i) with a golf course and related clubhouse and other  
33      facilities or (ii) designated by federal, State, county, or  
34      municipal government as public land for outdoor recreational  
35      activities or for nature preserves and used for that purpose  
36      within 5 years prior to the adoption of the redevelopment plan.

1 For the purpose of this subsection, "recreational activities"  
2 is limited to mean camping and hunting.

3 (p) "Redevelopment project area" means an area designated  
4 by the municipality, which is not less in the aggregate than 1  
5 1/2 acres and in respect to which the municipality has made a  
6 finding that there exist conditions which cause the area to be  
7 classified as an industrial park conservation area or a  
8 blighted area or a conservation area, or a combination of both  
9 blighted areas and conservation areas.

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

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

1 performed, or will be performing, service for the  
2 municipality. This requirement shall be satisfied by the  
3 consultant or advisor before the commencement of services  
4 for the municipality and thereafter whenever any other  
5 contracts with those individuals or entities are executed  
6 by the consultant or advisor;

7 (1.5) After July 1, 1999, annual administrative costs  
8 shall not include general overhead or administrative costs  
9 of the municipality that would still have been incurred by  
10 the municipality if the municipality had not designated a  
11 redevelopment project area or approved a redevelopment  
12 plan;

13 (1.6) The cost of marketing sites within the  
14 redevelopment project area to prospective businesses,  
15 developers, and investors;

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

24 (3) Costs of rehabilitation, reconstruction or repair  
25 or remodeling of existing public or private buildings,  
26 fixtures, and leasehold improvements; and the cost of  
27 replacing an existing public building if pursuant to the  
28 implementation of a redevelopment project the existing  
29 public building is to be demolished to use the site for  
30 private investment or devoted to a different use requiring  
31 private investment;

32 (4) Costs of the construction of public works or  
33 improvements, except that on and after November 1, 1999,  
34 redevelopment project costs shall not include the cost of  
35 constructing a new municipal public building principally  
36 used to provide offices, storage space, or conference

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

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

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

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

33 (7.5) For redevelopment project areas designated (or  
34 redevelopment project areas amended to add or increase the  
35 number of tax-increment-financing assisted housing units)  
36 on or after November 1, 1999, an elementary, secondary, or



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

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

31 (i) for unit school districts with a district  
32 average 1995-96 Per Capita Tuition Charge of less  
33 than \$5,900, no more than 25% of the total amount  
34 of property tax increment revenue produced by  
35 those housing units that have received tax  
36 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%  
35 of the total amount of property tax increment  
36 revenue produced by those housing units that have

1 received tax increment finance assistance under  
2 this Act;

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

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

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

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

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

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

30 Any school district seeking payment under this  
31 paragraph (7.5) shall, after July 1 and before  
32 September 30 of each year, provide the municipality  
33 with reasonable evidence to support its claim for  
34 reimbursement before the municipality shall be  
35 required to approve or make the payment to the school  
36 district. If the school district fails to provide the

1 information during this period in any year, it shall  
2 forfeit any claim to reimbursement for that year.  
3 School districts may adopt a resolution waiving the  
4 right to all or a portion of the reimbursement  
5 otherwise required by this paragraph (7.5). By  
6 acceptance of this reimbursement the school district  
7 waives the right to directly or indirectly set aside,  
8 modify, or contest in any manner the establishment of  
9 the redevelopment project area or projects;

10 (7.7) For redevelopment project areas designated (or  
11 redevelopment project areas amended to add or increase the  
12 number of tax-increment-financing assisted housing units)  
13 on or after January 1, 2005 (the effective date of Public  
14 Act 93-961), a public library district's increased costs  
15 attributable to assisted housing units located within the  
16 redevelopment project area for which the developer or  
17 redeveloper receives financial assistance through an  
18 agreement with the municipality or because the  
19 municipality incurs the cost of necessary infrastructure  
20 improvements within the boundaries of the assisted housing  
21 sites necessary for the completion of that housing as  
22 authorized by this Act shall be paid to the library  
23 district by the municipality from the Special Tax  
24 Allocation Fund when the tax increment revenue is received  
25 as a result of the assisted housing units. This paragraph  
26 (7.7) applies only if (i) the library district is located  
27 in a county that is subject to the Property Tax Extension  
28 Limitation Law or (ii) the library district is not located  
29 in a county that is subject to the Property Tax Extension  
30 Limitation Law but the district is prohibited by any other  
31 law from increasing its tax levy rate without a prior voter  
32 referendum.

33 The amount paid to a library district under this  
34 paragraph (7.7) shall be calculated by multiplying (i) the  
35 net increase in the number of persons eligible to obtain a  
36 library card in that district who reside in housing units

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

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

26 Any library district seeking payment under this  
27 paragraph (7.7) shall, after July 1 and before September 30  
28 of each year, provide the municipality with convincing  
29 evidence to support its claim for reimbursement before the  
30 municipality shall be required to approve or make the  
31 payment to the library district. If the library district  
32 fails to provide the information during this period in any  
33 year, it shall forfeit any claim to reimbursement for that  
34 year. Library districts may adopt a resolution waiving the  
35 right to all or a portion of the reimbursement otherwise  
36 required by this paragraph (7.7). By acceptance of such

1 reimbursement, the library district shall forfeit any  
2 right to directly or indirectly set aside, modify, or  
3 contest in any manner whatsoever the establishment of the  
4 redevelopment project area or projects;

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

10 (9) Payment in lieu of taxes;

11 (10) Costs of job training, retraining, advanced  
12 vocational education or career education, including but  
13 not limited to courses in occupational, semi-technical or  
14 technical fields leading directly to employment, incurred  
15 by one or more taxing districts, provided that such costs  
16 (i) are related to the establishment and maintenance of  
17 additional job training, advanced vocational education or  
18 career education programs for persons employed or to be  
19 employed by employers located in a redevelopment project  
20 area; and (ii) when incurred by a taxing district or taxing  
21 districts other than the municipality, are set forth in a  
22 written agreement by or among the municipality and the  
23 taxing district or taxing districts, which agreement  
24 describes the program to be undertaken, including but not  
25 limited to the number of employees to be trained, a  
26 description of the training and services to be provided,  
27 the number and type of positions available or to be  
28 available, itemized costs of the program and sources of  
29 funds to pay for the same, and the term of the agreement.  
30 Such costs include, specifically, the payment by community  
31 college districts of costs pursuant to Sections 3-37, 3-38,  
32 3-40 and 3-40.1 of the Public Community College Act and by  
33 school districts of costs pursuant to Sections 10-22.20a  
34 and 10-23.3a of The School Code;

35 (11) Interest cost incurred by a redeveloper related to  
36 the construction, renovation or rehabilitation of a

1 redevelopment project provided that:

2 (A) such costs are to be paid directly from the  
3 special tax allocation fund established pursuant to  
4 this Act;

5 (B) such payments in any one year may not exceed  
6 30% of the annual interest costs incurred by the  
7 redeveloper with regard to the redevelopment project  
8 during that year;

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

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

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

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

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

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



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

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

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

29 (13) After November 1, 1999 (the effective date of  
30 Public Act 91-478), none of the redevelopment project costs  
31 enumerated in this subsection shall be eligible  
32 redevelopment project costs if those costs would provide  
33 direct financial support to a retail entity initiating  
34 operations in the redevelopment project area while  
35 terminating operations at another Illinois location within  
36 10 miles of the redevelopment project area but outside the

1 boundaries of the redevelopment project area municipality.

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

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

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

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

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

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

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

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

27 (v) As used in subsection (a) of Section 11-74.4-3 of this  
28 Act, "vacant land" means any parcel or combination of parcels  
29 of real property without industrial, commercial, and  
30 residential buildings which has not been used for commercial  
31 agricultural purposes within 5 years prior to the designation  
32 of the redevelopment project area, unless the parcel is  
33 included in an industrial park conservation area or the parcel  
34 has been subdivided; provided that if the parcel was part of a  
35 larger tract that has been divided into 3 or more smaller  
36 tracts that were accepted for recording during the period from

1 1950 to 1990, then the parcel shall be deemed to have been  
2 subdivided, and all proceedings and actions of the municipality  
3 taken in that connection with respect to any previously  
4 approved or designated redevelopment project area or amended  
5 redevelopment project area are hereby validated and hereby  
6 declared to be legally sufficient for all purposes of this Act.  
7 For purposes of this Section and only for land subject to the  
8 subdivision requirements of the Plat Act, land is subdivided  
9 when the original plat of the proposed Redevelopment Project  
10 Area or relevant portion thereof has been properly certified,  
11 acknowledged, approved, and recorded or filed in accordance  
12 with the Plat Act and a preliminary plat, if any, for any  
13 subsequent phases of the proposed Redevelopment Project Area or  
14 relevant portion thereof has been properly approved and filed  
15 in accordance with the applicable ordinance of the  
16 municipality.

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

25 (Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05;  
26 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-961, eff.  
27 1-1-05; 93-983, eff. 8-23-04; 93-984, eff. 8-23-04; 93-985,  
28 eff. 8-23-04; 93-986, eff. 8-23-04; 93-987, eff. 8-23-04;  
29 93-995, eff. 8-23-04; 93-1024, eff. 8-25-04; 93-1076, eff.  
30 1-18-05; 94-260, eff. 7-19-05; 94-268, eff. 7-19-05; 94-297,  
31 eff. 7-21-05; 94-302, eff. 7-21-05; 94-702, eff. 6-1-06;  
32 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; revised 12-9-05.)

33 (65 ILCS 5/11-74.4-7) (from Ch. 24, par. 11-74.4-7)

34 (Text of Section before amendment by P.A. 94-702 and  
35 94-711)

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

1 received from that source. The County Collector shall  
2 thereafter make distribution to the respective taxing  
3 districts in the same manner and proportion as the most recent  
4 distribution by the county collector to the affected districts  
5 of real property taxes from real property in the redevelopment  
6 project area.

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

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

33 In the event the municipality authorizes issuance of  
34 obligations pursuant to the authority of this Division secured  
35 by the full faith and credit of the municipality, which  
36 obligations are other than obligations which may be issued

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

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



1           The ordinance authorizing the obligations may provide that  
2 the obligations shall contain a recital that they are issued  
3 pursuant to this Division, which recital shall be conclusive  
4 evidence of their validity and of the regularity of their  
5 issuance.

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

18           A certified copy of such ordinance shall be filed with the  
19 county clerk of each county in which any portion of the  
20 municipality is situated, and shall constitute the authority  
21 for the extension and collection of the taxes to be deposited  
22 in the special tax allocation fund.

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

1 to ad valorem taxes levied in the thirty-third calendar year  
2 after the year in which the ordinance approving the  
3 redevelopment project area if the ordinance was adopted on May  
4 20, 1985 by the Village of Wheeling, and not later than  
5 December 31 of the year in which the payment to the municipal  
6 treasurer as provided in subsection (b) of Section 11-74.4-8 of  
7 this Act is to be made with respect to ad valorem taxes levied  
8 in the thirty-fifth calendar year after the year in which the  
9 ordinance approving the redevelopment project area is adopted  
10 (A) if the ordinance was adopted before January 15, 1981, or  
11 (B) if the ordinance was adopted in December 1983, April 1984,  
12 July 1985, or December 1989, or (C) if the ordinance was  
13 adopted in December, 1987 and the redevelopment project is  
14 located within one mile of Midway Airport, or (D) if the  
15 ordinance was adopted before January 1, 1987 by a municipality  
16 in Mason County, or (E) if the municipality is subject to the  
17 Local Government Financial Planning and Supervision Act or the  
18 Financially Distressed City Law, or (F) if the ordinance was  
19 adopted in December 1984 by the Village of Rosemont, or (G) if  
20 the ordinance was adopted on December 31, 1986 by a  
21 municipality located in Clinton County for which at least  
22 \$250,000 of tax increment bonds were authorized on June 17,  
23 1997, or if the ordinance was adopted on December 31, 1986 by a  
24 municipality with a population in 1990 of less than 3,600 that  
25 is located in a county with a population in 1990 of less than  
26 34,000 and for which at least \$250,000 of tax increment bonds  
27 were authorized on June 17, 1997, or (H) if the ordinance was  
28 adopted on October 5, 1982 by the City of Kankakee, or (I) if  
29 the ordinance was adopted on December 29, 1986 by East St.  
30 Louis, or if the ordinance was adopted on November 12, 1991 by  
31 the Village of Sauget, or (J) if the ordinance was adopted on  
32 February 11, 1985 by the City of Rock Island, or (K) if the  
33 ordinance was adopted before December 18, 1986 by the City of  
34 Moline, or (L) if the ordinance was adopted in September 1988  
35 by Sauk Village, or (M) if the ordinance was adopted in October  
36 1993 by Sauk Village, or (N) if the ordinance was adopted on

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

1 Waukegan, or (OO) if the ordinance was adopted on December 31,  
2 1986 by the City of Sullivan, or (PP) if the ordinance was  
3 adopted on December 23, 1991 by the City of Sullivan, or (QQ)  
4 ~~(OO)~~ if the ordinance was adopted on December 31, 1986 by the  
5 City of Oglesby, or (RR) ~~(OO)~~ if the ordinance was adopted on  
6 July 28, 1987 by the City of Marion, or (SS) ~~(PP)~~ if the  
7 ordinance was adopted on April 23, 1990 by the City of Marion,  
8 or (TT) if the ordinance was adopted on July 1, 1986 by the  
9 City of Granite City and, for redevelopment project areas for  
10 which bonds were issued before July 29, 1991, in connection  
11 with a redevelopment project in the area within the State Sales  
12 Tax Boundary and which were extended by municipal ordinance  
13 under subsection (n) of Section 11-74.4-3, the last maturity of  
14 the refunding obligations shall not be expressed to mature  
15 later than the date on which the redevelopment project area is  
16 terminated or December 31, 2013, whichever date occurs first.

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

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

29 (Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05;  
30 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-983, eff.  
31 8-23-04; 93-984, eff. 8-23-04; 93-985, eff. 8-23-04; 93-986,  
32 eff. 8-23-04; 93-987, eff. 8-23-04; 93-995, eff. 8-23-04;  
33 93-1024, eff. 8-25-04; 93-1076, eff. 1-18-05; 94-260, eff.  
34 7-19-05; 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-704,  
35 eff. 12-5-05; revised 12-9-05.)

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

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

1 exceed as to each such source the total incremental revenue  
2 received from that source. The County Collector shall  
3 thereafter make distribution to the respective taxing  
4 districts in the same manner and proportion as the most recent  
5 distribution by the county collector to the affected districts  
6 of real property taxes from real property in the redevelopment  
7 project area.

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

19 Such obligations may be issued in one or more series  
20 bearing interest at such rate or rates as the corporate  
21 authorities of the municipality shall determine by ordinance.  
22 Such obligations shall bear such date or dates, mature at such  
23 time or times not exceeding 20 years from their respective  
24 dates, be in such denomination, carry such registration  
25 privileges, be executed in such manner, be payable in such  
26 medium of payment at such place or places, contain such  
27 covenants, terms and conditions, and be subject to redemption  
28 as such ordinance shall provide. Obligations issued pursuant to  
29 this Act may be sold at public or private sale at such price as  
30 shall be determined by the corporate authorities of the  
31 municipalities. No referendum approval of the electors shall be  
32 required as a condition to the issuance of obligations pursuant  
33 to this Division except as provided in this Section.

34 In the event the municipality authorizes issuance of  
35 obligations pursuant to the authority of this Division secured  
36 by the full faith and credit of the municipality, which

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

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

1 the ordinance shall not take effect.

2 The ordinance authorizing the obligations may provide that  
3 the obligations shall contain a recital that they are issued  
4 pursuant to this Division, which recital shall be conclusive  
5 evidence of their validity and of the regularity of their  
6 issuance.

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

19 A certified copy of such ordinance shall be filed with the  
20 county clerk of each county in which any portion of the  
21 municipality is situated, and shall constitute the authority  
22 for the extension and collection of the taxes to be deposited  
23 in the special tax allocation fund.

24 A municipality may also issue its obligations to refund in  
25 whole or in part, obligations theretofore issued by such  
26 municipality under the authority of this Act, whether at or  
27 prior to maturity, provided however, that the last maturity of  
28 the refunding obligations shall not be expressed to mature  
29 later than December 31 of the year in which the payment to the  
30 municipal treasurer as provided in subsection (b) of Section  
31 11-74.4-8 of this Act is to be made with respect to ad valorem  
32 taxes levied in the twenty-third calendar year after the year  
33 in which the ordinance approving the redevelopment project area  
34 is adopted if the ordinance was adopted on or after January 15,  
35 1981, not later than December 31 of the year in which the  
36 payment to the municipal treasurer as provided in subsection



1 (b) of Section 11-74.4-8 of this Act is to be made with respect  
2 to ad valorem taxes levied in the thirty-third calendar year  
3 after the year in which the ordinance approving the  
4 redevelopment project area if the ordinance was adopted on May  
5 20, 1985 by the Village of Wheeling, and not later than  
6 December 31 of the year in which the payment to the municipal  
7 treasurer as provided in subsection (b) of Section 11-74.4-8 of  
8 this Act is to be made with respect to ad valorem taxes levied  
9 in the thirty-fifth calendar year after the year in which the  
10 ordinance approving the redevelopment project area is adopted  
11 (A) if the ordinance was adopted before January 15, 1981, or  
12 (B) if the ordinance was adopted in December 1983, April 1984,  
13 July 1985, or December 1989, or (C) if the ordinance was  
14 adopted in December, 1987 and the redevelopment project is  
15 located within one mile of Midway Airport, or (D) if the  
16 ordinance was adopted before January 1, 1987 by a municipality  
17 in Mason County, or (E) if the municipality is subject to the  
18 Local Government Financial Planning and Supervision Act or the  
19 Financially Distressed City Law, or (F) if the ordinance was  
20 adopted in December 1984 by the Village of Rosemont, or (G) if  
21 the ordinance was adopted on December 31, 1986 by a  
22 municipality located in Clinton County for which at least  
23 \$250,000 of tax increment bonds were authorized on June 17,  
24 1997, or if the ordinance was adopted on December 31, 1986 by a  
25 municipality with a population in 1990 of less than 3,600 that  
26 is located in a county with a population in 1990 of less than  
27 34,000 and for which at least \$250,000 of tax increment bonds  
28 were authorized on June 17, 1997, or (H) if the ordinance was  
29 adopted on October 5, 1982 by the City of Kankakee, or (I) if  
30 the ordinance was adopted on December 29, 1986 by East St.  
31 Louis, or if the ordinance was adopted on November 12, 1991 by  
32 the Village of Sauget, or (J) if the ordinance was adopted on  
33 February 11, 1985 by the City of Rock Island, or (K) if the  
34 ordinance was adopted before December 18, 1986 by the City of  
35 Moline, or (L) if the ordinance was adopted in September 1988  
36 by Sauk Village, or (M) if the ordinance was adopted in October

1 1993 by Sauk Village, or (N) if the ordinance was adopted on  
2 December 29, 1986 by the City of Galva, or (O) if the ordinance  
3 was adopted in March 1991 by the City of Centreville, or (P) if  
4 the ordinance was adopted on January 23, 1991 by the City of  
5 East St. Louis, or (Q) if the ordinance was adopted on December  
6 22, 1986 by the City of Aledo, or (R) if the ordinance was  
7 adopted on February 5, 1990 by the City of Clinton, or (S) if  
8 the ordinance was adopted on September 6, 1994 by the City of  
9 Freeport, or (T) if the ordinance was adopted on December 22,  
10 1986 by the City of Tuscola, or (U) if the ordinance was  
11 adopted on December 23, 1986 by the City of Sparta, or (V) if  
12 the ordinance was adopted on December 23, 1986 by the City of  
13 Beardstown, or (W) if the ordinance was adopted on April 27,  
14 1981, October 21, 1985, or December 30, 1986 by the City of  
15 Belleville, or (X) if the ordinance was adopted on December 29,  
16 1986 by the City of Collinsville, or (Y) if the ordinance was  
17 adopted on September 14, 1994 by the City of Alton, or (Z) if  
18 the ordinance was adopted on November 11, 1996 by the City of  
19 Lexington, or (AA) if the ordinance was adopted on November 5,  
20 1984 by the City of LeRoy, or (BB) if the ordinance was adopted  
21 on April 3, 1991 or June 3, 1992 by the City of Markham, or (CC)  
22 if the ordinance was adopted on November 11, 1986 by the City  
23 of Pekin, or (DD) if the ordinance was adopted on December 15,  
24 1981 by the City of Champaign, or (EE) if the ordinance was  
25 adopted on December 15, 1986 by the City of Urbana, or (FF) if  
26 the ordinance was adopted on December 15, 1986 by the Village  
27 of Heyworth, or (GG) if the ordinance was adopted on February  
28 24, 1992 by the Village of Heyworth, or (HH) if the ordinance  
29 was adopted on March 16, 1995 by the Village of Heyworth, or  
30 (II) if the ordinance was adopted on December 23, 1986 by the  
31 Town of Cicero, or (JJ) if the ordinance was adopted on  
32 December 30, 1986 by the City of Effingham, or (KK) if the  
33 ordinance was adopted on May 9, 1991 by the Village of Tilton,  
34 or (LL) if the ordinance was adopted on October 20, 1986 by the  
35 City of Elmhurst, or (MM) if the ordinance was adopted on  
36 January 19, 1988 by the City of Waukegan, or (NN) if the

1 ordinance was adopted on September 21, 1998 by the City of  
2 Waukegan, or (OO) if the ordinance was adopted on December 31,  
3 1986 by the City of Sullivan, or (PP) if the ordinance was  
4 adopted on December 23, 1991 by the City of Sullivan, or (QQ)  
5 ~~(OO)~~ if the ordinance was adopted on December 31, 1986 by the  
6 City of Oglesby, or (RR) ~~(OO)~~ if the ordinance was adopted on  
7 July 28, 1987 by the City of Marion, or (SS) ~~(PP)~~ if the  
8 ordinance was adopted on April 23, 1990 by the City of Marion,  
9 or (TT) ~~(OO)~~ if the ordinance was adopted on August 20, 1985 by  
10 the Village of Mount Prospect, or (UU) ~~(OO)~~ if the ordinance  
11 was adopted on February 2, 1998 by the Village of Woodhull, or  
12 (VV) if the ordinance was adopted on July 1, 1986 by the City  
13 of Granite City and, for redevelopment project areas for which  
14 bonds were issued before July 29, 1991, in connection with a  
15 redevelopment project in the area within the State Sales Tax  
16 Boundary and which were extended by municipal ordinance under  
17 subsection (n) of Section 11-74.4-3, the last maturity of the  
18 refunding obligations shall not be expressed to mature later  
19 than the date on which the redevelopment project area is  
20 terminated or December 31, 2013, whichever date occurs first.

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

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

33 (Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05;  
34 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-983, eff.  
35 8-23-04; 93-984, eff. 8-23-04; 93-985, eff. 8-23-04; 93-986,  
36 eff. 8-23-04; 93-987, eff. 8-23-04; 93-995, eff. 8-23-04;

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

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

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