



Sen. David Koehler

Filed: 4/11/2008

09500SB2033sam003

LRB095 20788 RLJ 49429 a

1 AMENDMENT TO SENATE BILL 2033

2 AMENDMENT NO. _____. Amend Senate Bill 2033, AS AMENDED,
3 with reference to page and line numbers of Senate Amendment No.
4 1, on page 12, immediately below line 13, by inserting the
5 following:

6 "Section 10. The County Economic Development Project Area
7 Property Tax Allocation Act is amended by changing Sections 4
8 and 5 as follows:

9 (55 ILCS 85/4) (from Ch. 34, par. 7004)

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

15 (a) The corporate authorities of Whiteside County may by
16 ordinance propose the establishment of an economic development

1 project area and fix a time and place for a public hearing, and
2 shall submit a certified copy of the ordinance as adopted to
3 the Department.

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

10 (a-10) The corporate authorities of Grundy County may, by
11 ordinance, propose the establishment of an economic
12 development project and fix a time and place for a public
13 hearing. Upon passage of the ordinance, the corporate
14 authorities of Grundy County shall submit a certified copy of
15 the ordinance, as adopted, to the Department.

16 (a-15) The corporate authorities of Peoria County may, by
17 ordinance, propose the establishment of an economic
18 development project and fix a time and place for a public
19 hearing. Upon passage of the ordinance, the corporate
20 authorities of Peoria County shall submit a certified copy of
21 the ordinance, as adopted, to the Department.

22 (b) Any county which adopts an ordinance which fixes a
23 date, time and place for a public hearing shall convene a joint
24 review board as hereinafter provided. Not less than 45 days
25 prior to the date fixed for the public hearing, the county
26 shall give notice by mailing to the chief executive officer of

1 each affected taxing district having taxable property included
2 in the proposed economic development project area and, if the
3 ordinance is adopted by Stephenson County, the chief executive
4 officer of any municipality within Stephenson County having a
5 population of more than 20,000 that such chief executive
6 officer or his designee is invited to participate in a joint
7 review board. The designee shall serve at the discretion of the
8 chief executive officer of the taxing district for a term not
9 to exceed 2 years. Such notice shall advise each chief
10 executive officer of the date, time and place of the first
11 meeting of such joint review board, which shall occur not less
12 than 30 days prior to the date of the public hearing. Such
13 notice by mail shall be given by depositing such notice in the
14 United States Postal Service by certified mail.

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

1 economic development projects and to designate economic
2 development project areas. The county shall provide such
3 information and material promptly upon the request of the joint
4 review board and may also provide administrative support and
5 facilities as the joint review board may reasonably require.

6 Within 30 days of its first meeting, a joint review board
7 shall provide the county with a written report of its review of
8 any proposal to approve an economic development plan and
9 economic development project and to designate an economic
10 development project area. Such written report shall include
11 such information and advisory, nonbinding recommendations as a
12 majority of the members of the joint review board shall deem
13 relevant. Written reports of joint review boards may include
14 information and advisory, nonbinding recommendations provided
15 by a minority of the members thereof. Any joint review board
16 which does not provide such written report within such 30-day
17 period shall be deemed to have recommended that the county
18 proceed with a proposal to approve an economic development plan
19 and economic development project and to designate an economic
20 development project area.

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

23 (1) Notice by publication shall be given by publication
24 at least twice, the first publication to be not more than
25 30 nor less than 10 days prior to the hearing in a
26 newspaper of general circulation within the taxing

1 districts having property in the proposed economic
2 development project area. Notice by mailing shall be given
3 by depositing such notice together with a copy of the
4 proposed economic development plan in the United States
5 Postal Service by certified mail addressed to the person or
6 persons in whose name the general taxes for the last
7 preceding year were paid on each lot, block, tract, or
8 parcel of land lying within the proposed economic
9 development project area. The notice shall be mailed not
10 less than 10 days prior to the dates set for the public
11 hearing. In the event taxes for the last preceding year
12 were not paid, the notice shall also be sent to the persons
13 last listed on the tax rolls within the preceding 3 years
14 as the owners of the property.

15 (2) The notices issued pursuant to this Section shall
16 include the following:

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

18 (B) The boundaries of the proposed economic
19 development project area by legal description and by
20 street location where possible;

21 (C) A notification that all interested persons
22 will be given an opportunity to be heard at the public
23 hearing;

24 (D) An invitation for any person to submit
25 alternative proposals or bids for any proposed
26 conveyance, lease, mortgage or other disposition of

1 land within the proposed economic development project
2 area;

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

6 (F) Such other matters as the county may deem
7 appropriate.

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

18 (d) At the public hearing any interested person, the
19 Department or any affected taxing district may file written
20 objections with the county clerk and may be heard orally with
21 respect to any issues embodied in the notice. The county shall
22 hear and determine all alternate proposals or bids for any
23 proposed conveyance, lease, mortgage or other disposition of
24 land and all protests and objections at the hearing, and the
25 hearing may be adjourned to another date without further notice
26 other than a motion to be entered upon the minutes fixing the

1 time and place of the adjourned hearing. Public hearings with
2 regard to an economic development plan, economic development
3 project area, or economic development project may be held
4 simultaneously.

5 (e) At the public hearing, or at any time prior to the
6 adoption by the county of an ordinance approving an economic
7 development plan, the county may make changes in the economic
8 development plan. Changes which (1) alter the exterior
9 boundaries of the proposed economic development project area,
10 (2) substantially affect the general land uses established in
11 the proposed economic development plan, (3) substantially
12 change the nature of the proposed economic development plan,
13 (4) change the general description of any proposed developer,
14 user or tenant of any property to be located or improved within
15 the economic development project area, or (5) change the
16 description of the type, class and number of employees to be
17 employed in the operation of the facilities to be developed or
18 improved within the economic development project area shall be
19 made only after review by joint review board, notice and
20 hearing pursuant to the procedures set forth in this Section.
21 Changes which do not (1) alter the exterior boundaries of a
22 proposed economic development project area, (2) substantially
23 affect the general land uses established in the proposed plan,
24 (3) substantially change the nature of the proposed economic
25 development plan, (4) change the general description of any
26 proposed developer, user or tenant of any property to be

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

13 (f) At any time within 90 days of the final adjournment of
14 the public hearing, a county may, by ordinance, approve the
15 economic development plan, establish the economic development
16 project area, and authorize property tax allocation financing
17 for such economic development project area.

18 Any ordinance adopted by Whiteside County which approves
19 the economic development plan shall contain findings that the
20 economic development project is reasonably expected to create
21 or retain not less than 500 full-time equivalent jobs, that
22 private investment in an amount not less than \$25,000,000 is
23 reasonably expected to occur in the economic development
24 project area, that the economic development project will
25 encourage the increase of commerce and industry within the
26 State, thereby reducing the evils attendant upon unemployment

1 and increasing opportunities for personal income, and that the
2 economic development project will increase or maintain the
3 property, sales and income tax bases of the county and of the
4 State.

5 Any ordinance adopted by Grundy County that approves the
6 economic development plan shall contain findings that the
7 economic development project is reasonably expected to create
8 or retain not less than 250 full-time equivalent jobs, that
9 private investment in an amount not less than \$50,000,000 is
10 reasonably expected to occur in the economic development
11 project area, that the economic development project will
12 encourage the increase of commerce and industry within the
13 State, thereby reducing the evils attendant upon unemployment
14 and increasing opportunities for personal income, and that the
15 economic development project will increase or maintain the
16 property, sales, and income tax bases of the county and of the
17 State.

18 Any ordinance adopted by Stephenson County that approves an
19 economic development plan shall contain findings that (i) the
20 economic development project is reasonably expected to create
21 or retain not less than 500 full-time equivalent jobs; (ii)
22 private investment in an amount not less than \$10,000,000 is
23 reasonably expected to occur in the economic development area;
24 (iii) the economic development project will encourage the
25 increase of commerce and industry within the State, thereby
26 reducing the evils attendant upon unemployment and increasing

1 opportunities for personal income; and (iv) the economic
2 development project will increase or maintain the property,
3 sales, and income tax bases of the county and of the State.
4 Before the economic development project area is established by
5 Stephenson County, the following additional conditions must be
6 included in an intergovernmental agreement approved by both the
7 Stephenson County Board and the corporate authorities of the
8 City of Freeport: (i) the corporate authorities of the City of
9 Freeport must concur by resolution with the findings of
10 Stephenson County; (ii) both the corporate authorities of the
11 City of Freeport and the Stephenson County Board shall approve
12 any and all economic or redevelopment agreements and incentives
13 for any economic development project within the economic
14 development area; (iii) any economic development project that
15 receives funds under this Act, except for any economic
16 development project specifically excluded from annexation in
17 the provisions of the intergovernmental agreement, shall agree
18 to and must enter into an annexation agreement with the City of
19 Freeport to annex property included in the economic development
20 project area to the City of Freeport at the first point in time
21 that the property becomes contiguous to the City of Freeport;
22 (iv) the local share of all State occupation and use taxes
23 allocable to the City of Freeport and Stephenson County and
24 derived from commercial projects within the economic
25 development project area shall be equally shared by and between
26 the City of Freeport and Stephenson County for the duration of

1 the economic development project; and (v) any development in
2 the economic development project area shall be built in
3 accordance with the building and related codes of both the City
4 of Freeport and Stephenson County and the City of Freeport
5 shall approve all provisions for water and sewer service.

6 Any ordinance adopted by Peoria County that approves an
7 economic development plan shall contain findings that (i) the
8 economic development project is reasonably expected to create
9 or retain not less than 250 full-time equivalent jobs; (ii)
10 private investment in an amount not less than \$15,000,000 is
11 reasonably expected to occur in the economic development
12 project area; (iii) the economic development project will
13 encourage the increase of commerce and industry within the
14 State, thereby reducing the evils attendant upon unemployment
15 and increasing opportunities for personal income; and (iv) the
16 economic development project will increase or maintain the
17 property, sales, and income tax bases of the county and of the
18 State.

19 The ordinance shall also state that the economic
20 development project area shall not include parcels to be used
21 for purposes of residential development. Any ordinance adopted
22 which establishes an economic development project area shall
23 contain the boundaries of such area by legal description and,
24 where possible, by street location. Any ordinance adopted which
25 authorizes property tax allocation financing shall provide
26 that the ad valorem taxes, if any, arising from the levies upon

1 taxable real property in such economic development project area
2 by taxing districts and tax rates determined in the manner
3 provided in subsection (b) of Section 6 of this Act each year
4 after the effective date of the ordinance until economic
5 development project costs and all county obligations financing
6 economic development project costs incurred under this Act have
7 been paid shall be divided as follows:

8 (1) That portion of taxes levied upon each taxable lot,
9 block, tract or parcel of real property which is
10 attributable to the lower of the current equalized assessed
11 value or the initial equalized assessed value of each such
12 taxable lot, block, tract or parcel of real property in the
13 economic development project area shall be allocated to,
14 and when collected, shall be paid by the county collector
15 to the respective affected taxing districts in the manner
16 required by law in the absence of the adoption of property
17 tax allocation financing.

18 (2) That portion, if any, of such taxes which is
19 attributable to the increase in the current equalized
20 assessed valuation of each taxable lot, block, tract or
21 parcel of real property in the economic development project
22 area over and above the initial equalized assessed value of
23 each property in the economic development project area
24 shall be allocated to and when collected shall be paid to
25 the county treasurer who shall deposit those taxes into a
26 special fund called the special tax allocation fund of the

1 county for the purpose of paying economic development
2 project costs and obligations incurred in the payment
3 thereof.

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

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

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

1 information as the county may deem relevant.

2 (i) The county shall give notice by mail as provided in
3 this Section and shall reconvene the joint review board not
4 less than annually for each of the 2 years following its
5 adoption of an ordinance adopting property tax allocation
6 financing for an economic development project area and not less
7 than once in each 3-year period thereafter. The county shall
8 provide such information, and may provide administrative
9 support and facilities as the joint review board may reasonably
10 require for each of such meetings.

11 (Source: P.A. 93-959, eff. 8-20-04; 94-259, eff. 1-1-06.)

12 (55 ILCS 85/5) (from Ch. 34, par. 7005)

13 Sec. 5. Submission to Department; certification by
14 Department.

15 (a) The county shall submit certified copies of any
16 ordinances adopted approving a proposed economic development
17 plan, establishing an economic development project area, and
18 authorizing tax increment allocation financing to the
19 Department, together with (1) a map of the economic development
20 project area, (2) a copy of the economic development plan as
21 approved, (3) an analysis, and any supporting documents and
22 statistics, demonstrating (i) that the economic development
23 project is reasonably expected to create or retain not less
24 than 500 full-time equivalent jobs and (ii) that private
25 investment in the amount of not less than \$25,000,000 for all

1 ordinances adopted by Whiteside County ~~, and~~ in the amount of
2 not less than \$10,000,000 for any ordinance adopted by
3 Stephenson County, and in the amount of not less than
4 \$15,000,000 for any ordinance adopted by Peoria County is
5 reasonably expected to occur in the economic development
6 project area, (4) an estimate of the economic impact of the
7 economic development plan and the use of property tax
8 allocation financing upon the revenues of the county and the
9 affected taxing districts, (5) a record of all public hearings
10 held in connection with the establishment of the economic
11 development project area, and (6) such other information as the
12 Department by regulation may require.

13 (b) Upon receipt of an application from a county the
14 Department shall review the application to determine whether
15 the economic development project area qualifies as an economic
16 development project area under this Act. At its discretion, the
17 Department may accept or reject the application or may request
18 such additional information as it deems necessary or advisable
19 to aid its review. If any such area is found to be qualified to
20 be an economic development project area, the Department shall
21 approve and certify such economic development project area and
22 shall provide written notice of its approval and certification
23 to the county and to the county clerk. In determining whether
24 an economic development project area shall be approved and
25 certified, the Department shall consider (1) whether, without
26 public intervention, the State would suffer substantial

1 economic dislocation, such as relocation of a commercial
2 business or industrial or manufacturing facility to another
3 state, territory or country, or would not otherwise benefit
4 from private investment offering substantial employment
5 opportunities and economic growth, and (2) the impact on the
6 revenues of the county and the affected taxing districts of the
7 use of tax increment allocation financing in connection with
8 the economic development project.

9 (c) On or before July 1, 2007, the Department shall submit
10 to the General Assembly a report detailing the number of
11 economic development project areas it has approved and
12 certified, the number and type of jobs created or retained
13 therein, the aggregate amount of private investment therein,
14 the impact in the revenues of counties and affected taxing
15 districts of the use of property tax allocation financing
16 therein, and such additional information as the Department may
17 determine to be relevant. On July 1, 2009 ~~2008~~ the authority
18 granted hereunder to counties to establish economic
19 development project areas and to adopt property tax allocation
20 financing in connection therewith and to the Department to
21 approve and certify economic development project areas shall
22 expire unless the General Assembly shall have authorized
23 counties and the Department to continue to exercise the powers
24 granted to them under this Act.

25 (Source: P.A. 92-791, eff. 8-6-02; 93-959, eff. 8-20-04.)".