

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. "AN ACT concerning local government", approved  
5 January 26, 2009, (Public Act 95-1028) is amended by adding  
6 Section 999 as follows:

7 (P.A. 95-1028, Sec. 999 new)

8 Sec. 999. Effective date. This Act (Public Act 95-1028)  
9 takes effect on the effective date of this amendatory Act of  
10 the 96th General Assembly.

11 Section 10. The Illinois Municipal Code is amended by  
12 changing Section 11-74.4-4 as follows:

13 (65 ILCS 5/11-74.4-4) (from Ch. 24, par. 11-74.4-4)

14 Sec. 11-74.4-4. Municipal powers and duties; redevelopment  
15 project areas. A municipality may:

16 (a) The changes made by this amendatory Act of the 91st  
17 General Assembly do not apply to a municipality that, (i)  
18 before the effective date of this amendatory Act of the 91st  
19 General Assembly, has adopted an ordinance or resolution fixing  
20 a time and place for a public hearing under Section 11-74.4-5  
21 or (ii) before July 1, 1999, has adopted an ordinance or

1 resolution providing for a feasibility study under Section  
2 11-74.4-4.1, but has not yet adopted an ordinance approving  
3 redevelopment plans and redevelopment projects or designating  
4 redevelopment project areas under this Section, until after  
5 that municipality adopts an ordinance approving redevelopment  
6 plans and redevelopment projects or designating redevelopment  
7 project areas under this Section; thereafter the changes made  
8 by this amendatory Act of the 91st General Assembly apply to  
9 the same extent that they apply to redevelopment plans and  
10 redevelopment projects that were approved and redevelopment  
11 projects that were designated before the effective date of this  
12 amendatory Act of the 91st General Assembly.

13 By ordinance introduced in the governing body of the  
14 municipality within 14 to 90 days from the completion of the  
15 hearing specified in Section 11-74.4-5 approve redevelopment  
16 plans and redevelopment projects, and designate redevelopment  
17 project areas pursuant to notice and hearing required by this  
18 Act. No redevelopment project area shall be designated unless a  
19 plan and project are approved prior to the designation of such  
20 area and such area shall include only those contiguous parcels  
21 of real property and improvements thereon substantially  
22 benefited by the proposed redevelopment project improvements.  
23 Upon adoption of the ordinances, the municipality shall  
24 forthwith transmit to the county clerk of the county or  
25 counties within which the redevelopment project area is located  
26 a certified copy of the ordinances, a legal description of the

1 redevelopment project area, a map of the redevelopment project  
2 area, identification of the year that the county clerk shall  
3 use for determining the total initial equalized assessed value  
4 of the redevelopment project area consistent with subsection  
5 (a) of Section 11-74.4-9, and a list of the parcel or tax  
6 identification number of each parcel of property included in  
7 the redevelopment project area.

8 (b) Make and enter into all contracts with property owners,  
9 developers, tenants, overlapping taxing bodies, and others  
10 necessary or incidental to the implementation and furtherance  
11 of its redevelopment plan and project. Contract provisions  
12 concerning loan repayment obligations in contracts entered  
13 into on or after the effective date of this amendatory Act of  
14 the 93rd General Assembly shall terminate no later than the  
15 last to occur of the estimated dates of completion of the  
16 redevelopment project and retirement of the obligations issued  
17 to finance redevelopment project costs as required by item (3)  
18 of subsection (n) of Section 11-74.4-3. Payments received under  
19 contracts entered into by the municipality prior to the  
20 effective date of this amendatory Act of the 93rd General  
21 Assembly that are received after the redevelopment project area  
22 has been terminated by municipal ordinance shall be deposited  
23 into a special fund of the municipality to be used for other  
24 community redevelopment needs within the redevelopment project  
25 area.

26 (c) Within a redevelopment project area, acquire by

1 purchase, donation, lease or eminent domain; own, convey,  
2 lease, mortgage or dispose of land and other property, real or  
3 personal, or rights or interests therein, and grant or acquire  
4 licenses, easements and options with respect thereto, all in  
5 the manner and at such price the municipality determines is  
6 reasonably necessary to achieve the objectives of the  
7 redevelopment plan and project. No conveyance, lease,  
8 mortgage, disposition of land or other property owned by a  
9 municipality, or agreement relating to the development of such  
10 municipal property shall be made except upon the adoption of an  
11 ordinance by the corporate authorities of the municipality.  
12 Furthermore, no conveyance, lease, mortgage, or other  
13 disposition of land owned by a municipality or agreement  
14 relating to the development of such municipal property shall be  
15 made without making public disclosure of the terms of the  
16 disposition and all bids and proposals made in response to the  
17 municipality's request. The procedures for obtaining such bids  
18 and proposals shall provide reasonable opportunity for any  
19 person to submit alternative proposals or bids.

20 (d) Within a redevelopment project area, clear any area by  
21 demolition or removal of any existing buildings and structures.

22 (e) Within a redevelopment project area, renovate or  
23 rehabilitate or construct any structure or building, as  
24 permitted under this Act.

25 (f) Install, repair, construct, reconstruct or relocate  
26 streets, utilities and site improvements essential to the

1 preparation of the redevelopment area for use in accordance  
2 with a redevelopment plan.

3 (g) Within a redevelopment project area, fix, charge and  
4 collect fees, rents and charges for the use of any building or  
5 property owned or leased by it or any part thereof, or facility  
6 therein.

7 (h) Accept grants, guarantees and donations of property,  
8 labor, or other things of value from a public or private source  
9 for use within a project redevelopment area.

10 (i) Acquire and construct public facilities within a  
11 redevelopment project area, as permitted under this Act.

12 (j) Incur project redevelopment costs and reimburse  
13 developers who incur redevelopment project costs authorized by  
14 a redevelopment agreement; provided, however, that on and after  
15 the effective date of this amendatory Act of the 91st General  
16 Assembly, no municipality shall incur redevelopment project  
17 costs (except for planning costs and any other eligible costs  
18 authorized by municipal ordinance or resolution that are  
19 subsequently included in the redevelopment plan for the area  
20 and are incurred by the municipality after the ordinance or  
21 resolution is adopted) that are not consistent with the program  
22 for accomplishing the objectives of the redevelopment plan as  
23 included in that plan and approved by the municipality until  
24 the municipality has amended the redevelopment plan as provided  
25 elsewhere in this Act.

26 (k) Create a commission of not less than 5 or more than 15

1 persons to be appointed by the mayor or president of the  
2 municipality with the consent of the majority of the governing  
3 board of the municipality. Members of a commission appointed  
4 after the effective date of this amendatory Act of 1987 shall  
5 be appointed for initial terms of 1, 2, 3, 4 and 5 years,  
6 respectively, in such numbers as to provide that the terms of  
7 not more than 1/3 of all such members shall expire in any one  
8 year. Their successors shall be appointed for a term of 5  
9 years. The commission, subject to approval of the corporate  
10 authorities may exercise the powers enumerated in this Section.  
11 The commission shall also have the power to hold the public  
12 hearings required by this division and make recommendations to  
13 the corporate authorities concerning the adoption of  
14 redevelopment plans, redevelopment projects and designation of  
15 redevelopment project areas.

16 (l) Make payment in lieu of taxes or a portion thereof to  
17 taxing districts. If payments in lieu of taxes or a portion  
18 thereof are made to taxing districts, those payments shall be  
19 made to all districts within a project redevelopment area on a  
20 basis which is proportional to the current collections of  
21 revenue which each taxing district receives from real property  
22 in the redevelopment project area.

23 (m) Exercise any and all other powers necessary to  
24 effectuate the purposes of this Act.

25 (n) If any member of the corporate authority, a member of a  
26 commission established pursuant to Section 11-74.4-4(k) of

1 this Act, or an employee or consultant of the municipality  
2 involved in the planning and preparation of a redevelopment  
3 plan, or project for a redevelopment project area or proposed  
4 redevelopment project area, as defined in Sections  
5 11-74.4-3(i) through (k) of this Act, owns or controls an  
6 interest, direct or indirect, in any property included in any  
7 redevelopment area, or proposed redevelopment area, he or she  
8 shall disclose the same in writing to the clerk of the  
9 municipality, and shall also so disclose the dates and terms  
10 and conditions of any disposition of any such interest, which  
11 disclosures shall be acknowledged by the corporate authorities  
12 and entered upon the minute books of the corporate authorities.  
13 If an individual holds such an interest then that individual  
14 shall refrain from any further official involvement in regard  
15 to such redevelopment plan, project or area, from voting on any  
16 matter pertaining to such redevelopment plan, project or area,  
17 or communicating with other members concerning corporate  
18 authorities, commission or employees concerning any matter  
19 pertaining to said redevelopment plan, project or area.  
20 Furthermore, no such member or employee shall acquire of any  
21 interest direct, or indirect, in any property in a  
22 redevelopment area or proposed redevelopment area after either  
23 (a) such individual obtains knowledge of such plan, project or  
24 area or (b) first public notice of such plan, project or area  
25 pursuant to Section 11-74.4-6 of this Division, whichever  
26 occurs first. For the purposes of this subsection, a property

1 interest acquired in a single parcel of property by a member of  
2 the corporate authority, which property is used exclusively as  
3 the member's primary residence, shall not be deemed to  
4 constitute an interest in any property included in a  
5 redevelopment area or proposed redevelopment area that was  
6 established before December 31, 1989, but the member must  
7 disclose the acquisition to the municipal clerk under the  
8 provisions of this subsection. A single property interest  
9 acquired within one year after the effective date of this  
10 amendatory Act of the 94th General Assembly or 2 years after  
11 the effective date of this amendatory Act of the 96th General  
12 Assembly by a member of the corporate authority does not  
13 constitute an interest in any property included in any  
14 redevelopment area or proposed redevelopment area, regardless  
15 of when the redevelopment area was established, if (i) the  
16 property is used exclusively as the member's primary residence,  
17 (ii) the member discloses the acquisition to the municipal  
18 clerk under the provisions of this subsection, (iii) the  
19 acquisition is for fair market value, (iv) the member acquires  
20 the property as a result of the property being publicly  
21 advertised for sale, and (v) the member refrains from voting  
22 on, and communicating with other members concerning, any matter  
23 when the benefits to the redevelopment project or area would be  
24 significantly greater than the benefits to the municipality as  
25 a whole. For the purposes of this subsection, a month-to-month  
26 leasehold interest in a single parcel of property by a member



1 of the corporate authority shall not be deemed to constitute an  
2 interest in any property included in any redevelopment area or  
3 proposed redevelopment area, but the member must disclose the  
4 interest to the municipal clerk under the provisions of this  
5 subsection.

6 (o) Create a Tax Increment Economic Development Advisory  
7 Committee to be appointed by the Mayor or President of the  
8 municipality with the consent of the majority of the governing  
9 board of the municipality, the members of which Committee shall  
10 be appointed for initial terms of 1, 2, 3, 4 and 5 years  
11 respectively, in such numbers as to provide that the terms of  
12 not more than 1/3 of all such members shall expire in any one  
13 year. Their successors shall be appointed for a term of 5  
14 years. The Committee shall have none of the powers enumerated  
15 in this Section. The Committee shall serve in an advisory  
16 capacity only. The Committee may advise the governing Board of  
17 the municipality and other municipal officials regarding  
18 development issues and opportunities within the redevelopment  
19 project area or the area within the State Sales Tax Boundary.  
20 The Committee may also promote and publicize development  
21 opportunities in the redevelopment project area or the area  
22 within the State Sales Tax Boundary.

23 (p) Municipalities may jointly undertake and perform  
24 redevelopment plans and projects and utilize the provisions of  
25 the Act wherever they have contiguous redevelopment project  
26 areas or they determine to adopt tax increment financing with

1 respect to a redevelopment project area which includes  
2 contiguous real property within the boundaries of the  
3 municipalities, and in doing so, they may, by agreement between  
4 municipalities, issue obligations, separately or jointly, and  
5 expend revenues received under the Act for eligible expenses  
6 anywhere within contiguous redevelopment project areas or as  
7 otherwise permitted in the Act.

8 (q) Utilize revenues, other than State sales tax increment  
9 revenues, received under this Act from one redevelopment  
10 project area for eligible costs in another redevelopment  
11 project area that is:

12 (i) contiguous to the redevelopment project area from  
13 which the revenues are received;

14 (ii) separated only by a public right of way from the  
15 redevelopment project area from which the revenues are  
16 received; or

17 (iii) separated only by forest preserve property from  
18 the redevelopment project area from which the revenues are  
19 received if the closest boundaries of the redevelopment  
20 project areas that are separated by the forest preserve  
21 property are less than one mile apart.

22 Utilize tax increment revenues for eligible costs that are  
23 received from a redevelopment project area created under the  
24 Industrial Jobs Recovery Law that is either contiguous to, or  
25 is separated only by a public right of way from, the  
26 redevelopment project area created under this Act which

1 initially receives these revenues. Utilize revenues, other  
2 than State sales tax increment revenues, by transferring or  
3 loaning such revenues to a redevelopment project area created  
4 under the Industrial Jobs Recovery Law that is either  
5 contiguous to, or separated only by a public right of way from  
6 the redevelopment project area that initially produced and  
7 received those revenues; and, if the redevelopment project area  
8 (i) was established before the effective date of this  
9 amendatory Act of the 91st General Assembly and (ii) is located  
10 within a municipality with a population of more than 100,000,  
11 utilize revenues or proceeds of obligations authorized by  
12 Section 11-74.4-7 of this Act, other than use or occupation tax  
13 revenues, to pay for any redevelopment project costs as defined  
14 by subsection (q) of Section 11-74.4-3 to the extent that the  
15 redevelopment project costs involve public property that is  
16 either contiguous to, or separated only by a public right of  
17 way from, a redevelopment project area whether or not  
18 redevelopment project costs or the source of payment for the  
19 costs are specifically set forth in the redevelopment plan for  
20 the redevelopment project area.

21 (r) If no redevelopment project has been initiated in a  
22 redevelopment project area within 7 years after the area was  
23 designated by ordinance under subsection (a), the municipality  
24 shall adopt an ordinance repealing the area's designation as a  
25 redevelopment project area; provided, however, that if an area  
26 received its designation more than 3 years before the effective

1 date of this amendatory Act of 1994 and no redevelopment  
2 project has been initiated within 4 years after the effective  
3 date of this amendatory Act of 1994, the municipality shall  
4 adopt an ordinance repealing its designation as a redevelopment  
5 project area. Initiation of a redevelopment project shall be  
6 evidenced by either a signed redevelopment agreement or  
7 expenditures on eligible redevelopment project costs  
8 associated with a redevelopment project.

9 (Source: P.A. 93-298, eff. 7-23-03; 93-961, eff. 1-1-05;  
10 93-1098, eff. 1-1-06; 94-1013, eff. 1-1-07.)

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