



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB5457

Introduced 2/15/2012, by Rep. John E. Bradley

SYNOPSIS AS INTRODUCED:

See Index

Amends the State Comptroller Act. Creates a provision allowing the Comptroller to establish and conduct a training and certification program for Tax Increment Finance administrators. Sets forth requirements of the program. Amends the Property Tax Code. Requires the name and identification number of a redevelopment project area where the property is located and a State Internet website address with information on tax increment financing to be printed on specified bills. Amends the Illinois Municipal Code. Provides that on and after January 1, 2013, the State Comptroller must post on its website specified information. Sets forth the requirements for the posting, daily charges for delinquent reports, times for filing reports, and extensions. Amends the Industrial Jobs Recovery Law of the Illinois Municipal Code. Provides that a municipality must electronically submit financial statements for each redevelopment project area. Further provides that, for each redevelopment project area, municipalities must also submit a list of all intergovernmental agreements in effect and an accounting of any moneys transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. Makes other changes. Amends the School Code. Provides that for certain school districts, the calculated local property tax revenues per pupil shall include any surplus received by the school district in the previous year from a special tax allocation fund, as provided by the Tax Increment Allocation Redevelopment Act or the Industrial Jobs Recovery Law. Effective January 1, 2013.

LRB097 20091 KMW 65463 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 State Comptroller Act is amended by adding
5 Section 30 as follows:

6 (15 ILCS 405/30 new)

7 Sec. 30. Tax Increment Finance administrator training.

8 (a) The Comptroller, in consultation with the State
9 Comptroller Local Government Advisory Board, shall establish
10 and cause to be conducted a training program for Tax Increment
11 Finance administrators. In the case of any administrator who
12 fails to satisfactorily complete the training program, the
13 Comptroller shall so notify the municipal clerk or other
14 elected official in the municipality in which that
15 administrator is employed who shall notify the corporate
16 authorities of the municipality within 30 days.

17 (b) The Comptroller shall establish a curriculum, which
18 must include, but is not limited to, State reporting
19 requirements, State law and regulation concerning the use of
20 prevailing wage in redevelopment project areas, and eligible
21 redevelopment project costs.

22 Section 10. The Property Tax Code is amended by changing

1 Section 20-15 as follows:

2 (35 ILCS 200/20-15)

3 Sec. 20-15. Information on bill or separate statement.
4 There shall be printed on each bill, or on a separate slip
5 which shall be mailed with the bill:

6 (a) a statement itemizing the rate at which taxes have
7 been extended for each of the taxing districts in the
8 county in whose district the property is located, and in
9 those counties utilizing electronic data processing
10 equipment the dollar amount of tax due from the person
11 assessed allocable to each of those taxing districts,
12 including a separate statement of the dollar amount of tax
13 due which is allocable to a tax levied under the Illinois
14 Local Library Act or to any other tax levied by a
15 municipality or township for public library purposes,

16 (b) a separate statement for each of the taxing
17 districts of the dollar amount of tax due which is
18 allocable to a tax levied under the Illinois Pension Code
19 or to any other tax levied by a municipality or township
20 for public pension or retirement purposes,

21 (c) the total tax rate,

22 (d) the total amount of tax due, ~~and~~

23 (e) the amount by which the total tax and the tax
24 allocable to each taxing district differs from the
25 taxpayer's last prior tax bill. ~~and~~

1 (f) the name and identification number of the
2 redevelopment project area where the property is located,
3 if applicable, and

4 (g) a State Internet website address where taxpayers
5 can access information about tax increment financing and
6 redevelopment project areas.

7 The county treasurer shall ensure that only those taxing
8 districts in which a parcel of property is located shall be
9 listed on the bill for that property.

10 In all counties the statement shall also provide:

11 (1) the property index number or other suitable
12 description,

13 (2) the assessment of the property,

14 (3) the equalization factors imposed by the county and
15 by the Department, and

16 (4) the equalized assessment resulting from the
17 application of the equalization factors to the basic
18 assessment.

19 In all counties which do not classify property for purposes
20 of taxation, for property on which a single family residence is
21 situated the statement shall also include a statement to
22 reflect the fair cash value determined for the property. In all
23 counties which classify property for purposes of taxation in
24 accordance with Section 4 of Article IX of the Illinois
25 Constitution, for parcels of residential property in the lowest
26 assessment classification the statement shall also include a

1 statement to reflect the fair cash value determined for the
2 property.

3 In all counties, the statement must include information
4 that certain taxpayers may be eligible for tax exemptions,
5 abatements, and other assistance programs and that, for more
6 information, taxpayers should consult with the office of their
7 township or county assessor and with the Illinois Department of
8 Revenue.

9 In all counties, the statement shall include information
10 that certain taxpayers may be eligible for the Senior Citizens
11 and Disabled Persons Property Tax Relief and Pharmaceutical
12 Assistance Act and that applications are available from the
13 Illinois Department on Aging.

14 In counties which use the estimated or accelerated billing
15 methods, these statements shall only be provided with the final
16 installment of taxes due. The provisions of this Section create
17 a mandatory statutory duty. They are not merely directory or
18 discretionary. The failure or neglect of the collector to mail
19 the bill, or the failure of the taxpayer to receive the bill,
20 shall not affect the validity of any tax, or the liability for
21 the payment of any tax.

22 (Source: P.A. 95-644, eff. 10-12-07.)

23 Section 15. The Illinois Municipal Code is amended by
24 changing Sections 8-8-3, 8-8-3.5, 11-74.4-3, 11-74.4-3.5,
25 11-74.4-4, 11-74.4-5, 11-74.6-15, and 11-74.6-22 as follows:

1 (65 ILCS 5/8-8-3) (from Ch. 24, par. 8-8-3)

2 Sec. 8-8-3. Audit requirements.

3 (a) The corporate authorities of each municipality coming
4 under the provisions of this Division 8 shall cause an audit of
5 the funds and accounts of the municipality to be made by an
6 accountant or accountants employed by such municipality or by
7 an accountant or accountants retained by the Comptroller, as
8 hereinafter provided.

9 (b) The accounts and funds of each municipality having a
10 population of 800 or more or having a bonded debt or owning or
11 operating any type of public utility shall be audited annually.
12 The audit herein required shall include all of the accounts and
13 funds of the municipality. Such audit shall be begun as soon as
14 possible after the close of the fiscal year, and shall be
15 completed and the report submitted within 6 months after the
16 close of such fiscal year, unless an extension of time shall be
17 granted by the Comptroller in writing. The accountant or
18 accountants making the audit shall submit not less than 2
19 copies of the audit report to the corporate authorities of the
20 municipality being audited. Municipalities not operating
21 utilities may cause audits of the accounts of municipalities to
22 be made more often than herein provided, by an accountant or
23 accountants. The audit report of such audit when filed with the
24 Comptroller together with an audit report covering the
25 remainder of the period for which an audit is required to be

1 filed hereunder shall satisfy the requirements of this section.

2 (c) Municipalities of less than 800 population which do not
3 own or operate public utilities and do not have bonded debt,
4 shall file annually with the Comptroller a financial report
5 containing information required by the Comptroller. Such
6 annual financial report shall be on forms devised by the
7 Comptroller in such manner as to not require professional
8 accounting services for its preparation.

9 (d) In addition to any audit report required, all
10 municipalities, except municipalities of less than 800
11 population which do not own or operate public utilities and do
12 not have bonded debt, shall file annually with the Comptroller
13 a supplemental report on forms devised and approved by the
14 Comptroller.

15 (e) Notwithstanding any provision of law to the contrary,
16 if a municipality (i) has a population of less than 200, (ii)
17 has bonded debt in the amount of \$50,000 or less, and (iii)
18 owns or operates a public utility, then the municipality shall
19 cause an audit of the funds and accounts of the municipality to
20 be made by an accountant employed by the municipality or
21 retained by the Comptroller for fiscal year 2011 and every
22 fourth fiscal year thereafter or until the municipality has a
23 population of 200 or more, has bonded debt in excess of
24 \$50,000, or no longer owns or operates a public utility.
25 Nothing in this subsection shall be construed as limiting the
26 municipality's duty to file an annual financial report with the

1 Comptroller or to comply with the filing requirements
2 concerning the county clerk.

3 (f) On and after January 1, 2013, the State Comptroller
4 must post on the State Comptroller's official website the
5 information submitted by a municipality pursuant to
6 subsections (b) and (c) of this Section. The information must
7 be posted no later than 45 days after the State Comptroller
8 receives the information from the municipality. The State
9 Comptroller must also post a list of municipalities that are
10 not in compliance with the reporting requirements set forth in
11 subsections (b) and (c) of this Section.

12 (g) The State Comptroller has the authority to grant
13 extensions for delinquent audit reports. The Comptroller may
14 charge a municipality a fee for a delinquent audit of \$5 per
15 day for the first 15 days past due, \$10 per day for 16 through
16 30 days past due, \$15 per day for 31 through 45 days past due,
17 and \$20 per day for the 46th day and every day thereafter. All
18 fees collected pursuant to this subsection (g) shall be
19 deposited into the Comptroller's Administrative Fund.

20 (Source: P.A. 96-1309, eff. 7-27-10.)

21 (65 ILCS 5/8-8-3.5)

22 Sec. 8-8-3.5. Tax Increment Financing Report. The reports
23 filed under subsection (d) of Section 11-74.4-5 of the Tax
24 Increment Allocation Redevelopment Act and the reports filed
25 under subsection (d) of Section 11-74.6-22 of the Industrial

1 Jobs Recovery Law in the Illinois Municipal Code must be
2 separate from any other annual report filed with the
3 Comptroller. The Comptroller must, in cooperation with
4 reporting municipalities, create a format for the reporting of
5 information described in paragraphs (1.5) and (5) and in
6 subparagraph (G) of paragraph (7) of subsection (d) of Section
7 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and
8 the information described in paragraphs (1.5) and (5) and in
9 subparagraph (G) of paragraph (7) of subsection (d) of Section
10 11-74.6-22 of the Industrial Jobs Recovery Law that facilitates
11 consistent reporting among the reporting municipalities. The
12 Comptroller may allow these reports to be filed electronically
13 and may display the report, or portions of the report,
14 electronically via the Internet. All reports filed under this
15 Section must be made available for examination and copying by
16 the public at all reasonable times. A Tax Increment Financing
17 Report must be filed with the Comptroller within 180 days after
18 the close of the municipal fiscal year or as soon thereafter as
19 the audit for the redevelopment project area for that fiscal
20 year becomes available. If the Tax Increment Finance
21 administrator provides the Comptroller's office with
22 sufficient evidence that the report is in the process of being
23 completed by an auditor, the Comptroller may grant an
24 extension. If the required report is not filed within the time
25 extended by the Comptroller, the Comptroller may charge a
26 municipality a fee of \$5 per day for the first 15 days past

1 due, \$10 per day for 16 through 30 days past due, \$15 per day
2 for 31 through 45 days past due, and \$20 per day for the 46th
3 day and every day thereafter. All fees collected pursuant to
4 this Section shall be deposited into the Comptroller's
5 Administrative Fund.

6 (Source: P.A. 91-478, eff. 11-1-99; 91-900, eff. 7-6-00.)

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

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

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

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

21 (1) If improved, industrial, commercial, and
22 residential buildings or improvements are detrimental to
23 the public safety, health, or welfare because of a
24 combination of 5 or more of the following factors, each of
25 which is (i) present, with that presence documented, to a

1 meaningful extent so that a municipality may reasonably
2 find that the factor is clearly present within the intent
3 of the Act and (ii) reasonably distributed throughout the
4 improved part of the redevelopment project area:

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

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

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

26 (D) Presence of structures below minimum code

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

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

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

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

1 units within a building.

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

11 (I) Excessive land coverage and overcrowding of
12 structures and community facilities. The
13 over-intensive use of property and the crowding of
14 buildings and accessory facilities onto a site.
15 Examples of problem conditions warranting the
16 designation of an area as one exhibiting excessive land
17 coverage are: (i) the presence of buildings either
18 improperly situated on parcels or located on parcels of
19 inadequate size and shape in relation to present-day
20 standards of development for health and safety and (ii)
21 the presence of multiple buildings on a single parcel.
22 For there to be a finding of excessive land coverage,
23 these parcels must exhibit one or more of the following
24 conditions: insufficient provision for light and air
25 within or around buildings, increased threat of spread
26 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

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

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

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

1 distributed throughout the vacant part of the
2 redevelopment project area to which it pertains:

3 (A) Obsolete platting of vacant land that results
4 in parcels of limited or narrow size or configurations
5 of parcels of irregular size or shape that would be
6 difficult to develop on a planned basis and in a manner
7 compatible with contemporary standards and
8 requirements, or platting that failed to create
9 rights-of-ways for streets or alleys or that created
10 inadequate right-of-way widths for streets, alleys, or
11 other public rights-of-way or that omitted easements
12 for public utilities.

13 (B) Diversity of ownership of parcels of vacant
14 land sufficient in number to retard or impede the
15 ability to assemble the land for development.

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

19 (D) Deterioration of structures or site
20 improvements in neighboring areas adjacent to the
21 vacant land.

22 (E) The area has incurred Illinois Environmental
23 Protection Agency or United States Environmental
24 Protection Agency remediation costs for, or a study
25 conducted by an independent consultant recognized as
26 having expertise in environmental remediation has

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

7 (F) 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 (3) If vacant, the sound growth of the redevelopment
21 project area is impaired by one of the following factors
22 that (i) is present, with that presence documented, to a
23 meaningful extent so that a municipality may reasonably
24 find that the factor is clearly present within the intent
25 of the Act and (ii) is reasonably distributed throughout
26 the vacant part of the redevelopment project area to which

1 it pertains:

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

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

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

15 (D) The area consists of an unused or illegal
16 disposal site containing earth, stone, building
17 debris, or similar materials that were removed from
18 construction, demolition, excavation, or dredge sites.

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

1 comprehensive plan adopted prior to January 1, 1982,
2 and the area has not been developed for that designated
3 purpose.

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

8 (b) For any redevelopment project area that has been
9 designated pursuant to this Section by an ordinance adopted
10 prior to November 1, 1999 (the effective date of Public Act
11 91-478), "conservation area" shall have the meaning set forth
12 in this Section prior to that date.

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

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

1 removed.

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

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

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

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

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

1 extent, or duration of the vacancies.

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

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

23 (9) Excessive land coverage and overcrowding of
24 structures and community facilities. The over-intensive
25 use of property and the crowding of buildings and accessory
26 facilities onto a site. Examples of problem conditions

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

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

20 (11) Lack of community planning. The proposed
21 redevelopment project area was developed prior to or
22 without the benefit or guidance of a community plan. This
23 means that the development occurred prior to the adoption
24 by the municipality of a comprehensive or other community
25 plan or that the plan was not followed at the time of the
26 area's development. This factor must be documented by

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

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

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

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

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

21 (e) "Labor surplus municipality" means a municipality in
22 which, at any time during the 6 months before the municipality
23 by ordinance designates an industrial park conservation area,
24 the unemployment rate was over 6% and was also 100% or more of
25 the national average unemployment rate for that same time as
26 published in the United States Department of Labor Bureau of

1 Labor Statistics publication entitled "The Employment
2 Situation" or its successor publication. For the purpose of
3 this subsection, if unemployment rate statistics for the
4 municipality are not available, the unemployment rate in the
5 municipality shall be deemed to be the same as the unemployment
6 rate in the principal county in which the municipality is
7 located.

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

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

20 (g-1) "Revised Initial Sales Tax Amounts" means the amount
21 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
22 Act, 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 within the State Sales Tax
26 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

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

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

1 beginning July 1 and ending June 30 to determine the tax
2 amounts received which shall have deducted therefrom the
3 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
4 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
5 case may be.

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

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

15 Municipalities that issued bonds in connection with a
16 redevelopment project in a redevelopment project area within
17 the State Sales Tax Boundary prior to July 29, 1991, or that
18 entered into contracts in connection with a redevelopment
19 project in a redevelopment project area before June 1, 1988,
20 shall continue to receive their proportional share of the
21 Illinois Tax Increment Fund distribution until the date on
22 which the redevelopment project is completed or terminated. If,
23 however, a municipality that issued bonds in connection with a
24 redevelopment project in a redevelopment project area within
25 the State Sales Tax Boundary prior to July 29, 1991 retires the
26 bonds prior to June 30, 2007 or a municipality that entered

1 into contracts in connection with a redevelopment project in a
2 redevelopment project area before June 1, 1988 completes the
3 contracts prior to June 30, 2007, then so long as the
4 redevelopment project is not completed or is not terminated,
5 the Net State Sales Tax Increment shall be calculated,
6 beginning on the date on which the bonds are retired or the
7 contracts are completed, as follows: By multiplying the Net
8 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
9 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
10 2004; 30% in the State Fiscal Year 2005; 20% in the State
11 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
12 payment shall be made for State Fiscal Year 2008 and
13 thereafter. Refunding of any bonds issued prior to July 29,
14 1991, shall not alter the Net State Sales Tax Increment.

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

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

22 Municipalities that issue bonds in connection with the
23 redevelopment project during the period from June 1, 1988 until
24 3 years after the effective date of this Amendatory Act of 1988
25 shall receive the Net State Utility Tax Increment, subject to
26 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

1 by the payment of redevelopment project costs to reduce or
2 eliminate those conditions the existence of which qualified the
3 redevelopment project area as a "blighted area" or
4 "conservation area" or combination thereof or "industrial park
5 conservation area," and thereby to enhance the tax bases of the
6 taxing districts which extend into the redevelopment project
7 area. On and after November 1, 1999 (the effective date of
8 Public Act 91-478), no redevelopment plan may be approved or
9 amended that includes the development of vacant land (i) with a
10 golf course and related clubhouse and other facilities or (ii)
11 designated by federal, State, county, or municipal government
12 as public land for outdoor recreational activities or for
13 nature preserves and used for that purpose within 5 years prior
14 to the adoption of the redevelopment plan. For the purpose of
15 this subsection, "recreational activities" is limited to mean
16 camping and hunting. On and after January 1, 2013, no
17 redevelopment plan may be approved that allocates more than 25%
18 of the estimated redevelopment project costs to residential
19 developments, other than residential development projects that
20 include affordable housing for low-income and very low-income
21 households, as those terms are defined by the Illinois
22 Affordable Housing Act, and no redevelopment plan shall be
23 amended to exceed that 25% limitation. Each redevelopment plan
24 shall set forth in writing the program to be undertaken to
25 accomplish the objectives and shall include but not be limited
26 to:

1 (A) an itemized list of estimated redevelopment
2 project costs;

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

6 (C) an assessment of any financial impact of the
7 redevelopment project area on or any increased demand for
8 services from any taxing district affected by the plan and
9 any program to address such financial impact or increased
10 demand;

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

12 (E) the nature and term of the obligations to be
13 issued;

14 (F) the most recent equalized assessed valuation of the
15 redevelopment project area;

16 (G) an estimate as to the equalized assessed valuation
17 after redevelopment and the general land uses to apply in
18 the redevelopment project area;

19 (H) a commitment to fair employment practices and an
20 affirmative action plan;

21 (I) if it concerns an industrial park conservation
22 area, the plan shall also include a general description of
23 any proposed developer, user and tenant of any property, a
24 description of the type, structure and general character of
25 the facilities to be developed, a description of the type,
26 class and number of new employees to be employed in the

1 operation of the facilities to be developed; and

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

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

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

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

1 that have been approved by the planning commission of the
2 municipality.

3 (3) The redevelopment plan establishes the estimated
4 dates of completion of the redevelopment project and
5 retirement of obligations issued to finance redevelopment
6 project costs. Those dates may not be later than the dates
7 set forth under Section 11-74.4-3.5.

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

16 (3.5) The municipality finds, in the case of an
17 industrial park conservation area, also that the
18 municipality is a labor surplus municipality and that the
19 implementation of the redevelopment plan will reduce
20 unemployment, create new jobs and by the provision of new
21 facilities enhance the tax base of the taxing districts
22 that extend into the redevelopment project area.

23 (4) If any incremental revenues are being utilized
24 under Section 8(a)(1) or 8(a)(2) of this Act in
25 redevelopment project areas approved by ordinance after
26 January 1, 1986, the municipality finds: (a) that the

1 redevelopment project area would not reasonably be
2 developed without the use of such incremental revenues, and
3 (b) that such incremental revenues will be exclusively
4 utilized for the development of the redevelopment project
5 area.

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

18 Part I of the housing impact study shall include (i)
19 data as to whether the residential units are single family
20 or multi-family units, (ii) the number and type of rooms
21 within the units, if that information is available, (iii)
22 whether the units are inhabited or uninhabited, as
23 determined not less than 45 days before the date that the
24 ordinance or resolution required by subsection (a) of
25 Section 11-74.4-5 is passed, and (iv) data as to the racial
26 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,

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

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

23 (9) For redevelopment project areas designated prior
24 to November 1, 1999, the redevelopment plan may be amended
25 without further joint review board meeting or hearing,
26 provided that the municipality shall give notice of any

1 such changes by mail to each affected taxing district and
2 registrant on the interested party registry, to authorize
3 the municipality to expend tax increment revenues for
4 redevelopment project costs defined by paragraphs (5) and
5 (7.5), subparagraphs (E) and (F) of paragraph (11), and
6 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so
7 long as the changes do not increase the total estimated
8 redevelopment project costs set out in the redevelopment
9 plan by more than 5% after adjustment for inflation from
10 the date the plan was adopted.

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

23 (p) "Redevelopment project area" means an area designated
24 by the municipality, which is not less in the aggregate than 1
25 1/2 acres and in respect to which the municipality has made a
26 finding that there exist conditions which cause the area to be

1 classified as an industrial park conservation area or a
2 blighted area or a conservation area, or a combination of both
3 blighted areas and conservation areas.

4 (p-1) Notwithstanding any provision of this Act to the
5 contrary, on and after August 25, 2009 (the effective date of
6 Public Act 96-680), a redevelopment project area may include
7 areas within a one-half mile radius of an existing or proposed
8 Regional Transportation Authority Suburban Transit Access
9 Route (STAR Line) station without a finding that the area is
10 classified as an industrial park conservation area, a blighted
11 area, a conservation area, or a combination thereof, but only
12 if the municipality receives unanimous consent from the joint
13 review board created to review the proposed redevelopment
14 project area.

15 (q) "Redevelopment project costs", except for
16 redevelopment project areas created pursuant to subsection
17 (p-1), means and includes the sum total of all reasonable or
18 necessary costs incurred or estimated to be incurred, and any
19 such costs incidental to a redevelopment plan and a
20 redevelopment project. Such costs include, without limitation,
21 the following:

22 (1) Costs of studies, surveys, development of plans,
23 and specifications, implementation and administration of
24 the redevelopment plan including but not limited to staff
25 and professional service costs for architectural,
26 engineering, legal, financial, planning or other services,

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

24 (1.5) After July 1, 1999, annual administrative costs
25 shall not include general overhead or administrative costs
26 of the municipality that would still have been incurred by

1 the municipality if the municipality had not designated a
2 redevelopment project area or approved a redevelopment
3 plan;

4 (1.6) The cost of marketing sites within the
5 redevelopment project area to prospective businesses,
6 developers, and investors;

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

15 (3) Costs of rehabilitation, reconstruction or repair
16 or remodeling of existing public or private buildings,
17 fixtures, and leasehold improvements; and the cost of
18 replacing an existing public building if pursuant to the
19 implementation of a redevelopment project the existing
20 public building is to be demolished to use the site for
21 private investment or devoted to a different use requiring
22 private investment; including any direct or indirect costs
23 relating to Green Globes or LEED certified construction
24 elements or construction elements with an equivalent
25 certification;

26 (4) Costs of the construction of public works or

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

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

26 (6) Financing costs, including but not limited to all

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

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

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

1 Special Tax Allocation Fund when the tax increment revenue
2 is received as a result of the assisted housing units and
3 shall be calculated annually as follows:

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

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

1 increment finance assistance under this Act;

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

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

14 (B) For alternate method districts, flat grant
15 districts, and foundation districts with a district
16 average 1995-96 Per Capita Tuition Charge equal to or
17 more than \$5,900, excluding any school district with a
18 population in excess of 1,000,000, by multiplying the
19 district's increase in attendance resulting from the
20 net increase in new students enrolled in that school
21 district who reside in housing units within the
22 redevelopment project area that have received
23 financial assistance through an agreement with the
24 municipality or because the municipality incurs the
25 cost of necessary infrastructure improvements within
26 the boundaries of the housing sites necessary for the

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

9 (i) for unit school districts, no more than 40%
10 of the total amount of property tax increment
11 revenue produced by those housing units that have
12 received tax increment finance assistance under
13 this Act;

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

19 (iii) for secondary school districts, no more
20 than 13% of the total amount of property tax
21 increment revenue produced by those housing units
22 that have received tax increment finance
23 assistance under this Act.

24 (C) For any school district in a municipality with
25 a population in excess of 1,000,000, the following
26 restrictions shall apply to the reimbursement of

1 increased costs under this paragraph (7.5):

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

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

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

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

1 acceptance of this reimbursement the school district
2 waives the right to directly or indirectly set aside,
3 modify, or contest in any manner the establishment of
4 the redevelopment project area or projects;

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

1 referendum.

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

24 A library district is not eligible for any payment
25 under this paragraph (7.7) unless the library district has
26 experienced an increase in the number of patrons from the

1 municipality that created the tax-increment-financing
2 district since the designation of the redevelopment
3 project area.

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

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

24 (9) Payment in lieu of taxes;

25 (10) Costs of job training, retraining, advanced
26 vocational education or career education, including but

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

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

26 (A) such costs are to be paid directly from the

1 special tax allocation fund established pursuant to
2 this Act;

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

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

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

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

26 (F) Instead of the eligible costs provided by

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

16 The eligible costs provided under this
17 subparagraph (F) of paragraph (11) shall be an eligible
18 cost for the construction, renovation, and
19 rehabilitation of all low and very low-income housing
20 units, as defined in Section 3 of the Illinois
21 Affordable Housing Act, within the redevelopment
22 project area. If the low and very low-income units are
23 part of a residential redevelopment project that
24 includes units not affordable to low and very
25 low-income households, only the low and very
26 low-income units shall be eligible for benefits under

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

1 is later.

2 (11.5) If the redevelopment project area is located
3 within a municipality with a population of more than
4 100,000, the cost of day care services for children of
5 employees from low-income families working for businesses
6 located within the redevelopment project area and all or a
7 portion of the cost of operation of day care centers
8 established by redevelopment project area businesses to
9 serve employees from low-income families working in
10 businesses located in the redevelopment project area. For
11 the purposes of this paragraph, "low-income families"
12 means families whose annual income does not exceed 80% of
13 the municipal, county, or regional median income, adjusted
14 for family size, as the annual income and municipal,
15 county, or regional median income are determined from time
16 to time by the United States Department of Housing and
17 Urban Development.

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

21 (13) After November 1, 1999 (the effective date of
22 Public Act 91-478), none of the redevelopment project costs
23 enumerated in this subsection shall be eligible
24 redevelopment project costs if those costs would provide
25 direct financial support to a retail entity initiating
26 operations in the redevelopment project area while

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

15 (14) No cost shall be a redevelopment project cost in a
16 redevelopment project area if used to demolish, remove, or
17 substantially modify a historic resource, after August 26,
18 2008 (the effective date of Public Act 95-934), unless no
19 prudent and feasible alternative exists. "Historic
20 resource" for the purpose of this item (14) means (i) a
21 place or structure that is included or eligible for
22 inclusion on the National Register of Historic Places or
23 (ii) a contributing structure in a district on the National
24 Register of Historic Places. This item (14) does not apply
25 to a place or structure for which demolition, removal, or
26 modification is subject to review by the preservation

1 agency of a Certified Local Government designated as such
2 by the National Park Service of the United States
3 Department of the Interior.

4 If a special service area has been established pursuant to
5 the Special Service Area Tax Act or Special Service Area Tax
6 Law, then any tax increment revenues derived from the tax
7 imposed pursuant to the Special Service Area Tax Act or Special
8 Service Area Tax Law may be used within the redevelopment
9 project area for the purposes permitted by that Act or Law as
10 well as the purposes permitted by this Act.

11 (q-1) For redevelopment project areas created pursuant to
12 subsection (p-1), redevelopment project costs are limited to
13 those costs in paragraph (q) that are related to the existing
14 or proposed Regional Transportation Authority Suburban Transit
15 Access Route (STAR Line) station.

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

23 (s) "State Sales Tax Increment" means an amount equal to
24 the increase in the aggregate amount of taxes paid by retailers
25 and servicemen, other than retailers and servicemen subject to
26 the Public Utilities Act, on transactions at places of business

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

1 Initial Sales Tax Amount". For purposes of determining the
2 State Sales Tax Increment the Department of Revenue shall for
3 each period subtract from the tax amounts received from
4 retailers and servicemen on transactions located in the State
5 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
6 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
7 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
8 the Service Use Tax Act and the Service Occupation Tax Act. For
9 the State Fiscal Year 1989 this calculation shall be made by
10 utilizing the calendar year 1987 to determine the tax amounts
11 received. For the State Fiscal Year 1990, this calculation
12 shall be made by utilizing the period from January 1, 1988,
13 until September 30, 1988, to determine the tax amounts received
14 from retailers and servicemen, which shall have deducted
15 therefrom nine-twelfths of the certified Initial Sales Tax
16 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
17 Initial Sales Tax Amounts as appropriate. For the State Fiscal
18 Year 1991, this calculation shall be made by utilizing the
19 period from October 1, 1988, until June 30, 1989, to determine
20 the tax amounts received from retailers and servicemen, which
21 shall have deducted therefrom nine-twelfths of the certified
22 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax
23 Amounts or the Revised Initial Sales Tax Amounts as
24 appropriate. For every State Fiscal Year thereafter, the
25 applicable period shall be the 12 months beginning July 1 and
26 ending on June 30, to determine the tax amounts received which

1 shall have deducted therefrom the certified Initial Sales Tax
2 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
3 Initial Sales Tax Amounts. Municipalities intending to receive
4 a distribution of State Sales Tax Increment must report a list
5 of retailers to the Department of Revenue by October 31, 1988
6 and by July 31, of each year thereafter.

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

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

17 (v) As used in subsection (a) of Section 11-74.4-3 of this
18 Act, "vacant land" means any parcel or combination of parcels
19 of real property without industrial, commercial, and
20 residential buildings which has not been used for commercial
21 agricultural purposes within 5 years prior to the designation
22 of the redevelopment project area, unless the parcel is
23 included in an industrial park conservation area or the parcel
24 has been subdivided; provided that if the parcel was part of a
25 larger tract that has been divided into 3 or more smaller
26 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 (x) "LEED certified" means any certification level of
26 construction elements by a qualified Leadership in Energy and

1 Environmental Design Accredited Professional as determined by
2 the U.S. Green Building Council.

3 (y) "Green Globes certified" means any certification level
4 of construction elements by a qualified Green Globes
5 Professional as determined by the Green Building Initiative.

6 (Source: P.A. 96-328, eff. 8-11-09; 96-630, eff. 1-1-10;
7 96-680, eff. 8-25-09; 96-1000, eff. 7-2-10; 97-101, eff.
8 1-1-12.)

9 (65 ILCS 5/11-74.4-3.5)

10 Sec. 11-74.4-3.5. Completion dates for redevelopment
11 projects.

12 (a) Unless otherwise stated in this Section, the estimated
13 dates of completion of the redevelopment project and retirement
14 of obligations issued to finance redevelopment project costs
15 (including refunding bonds under Section 11-74.4-7) may not be
16 later than December 31 of the year in which the payment to the
17 municipal treasurer, as provided in subsection (b) of Section
18 11-74.4-8 of this Act, is to be made with respect to ad valorem
19 taxes levied in the 23rd calendar year after the year in which
20 the ordinance approving the redevelopment project area was
21 adopted if the ordinance was adopted on or after January 15,
22 1981.

23 (a-5) On and after January 1, 2013, the estimated date of
24 completion of a redevelopment project and retirement of
25 obligations issued to finance redevelopment project costs,

1 including, but not limited to, refunding bonds under Section
2 11-74.4-7, shall be no later than December 31 of the year in
3 which the payment to the municipal treasurer, as provided in
4 subsection (b) of Section 11-74.4-8, is to be made with respect
5 to ad valorem taxes levied in the 23rd calendar year after the
6 year in which the ordinance approving the redevelopment project
7 area was adopted unless all taxing districts serving on the
8 joint review board send documentation supporting a later
9 estimated date of completion to the State Comptroller and the
10 extension of the later estimated date of completion date is
11 authorized by a subsequent amendment to this Code. The State
12 Comptroller must post this documentation on the State
13 Comptroller's official website. This information must be
14 posted no later than 45 days after the State Comptroller
15 receives the information from the taxing districts.

16 (b) The estimated dates of completion of the redevelopment
17 project and retirement of obligations issued to finance
18 redevelopment project costs (including refunding bonds under
19 Section 11-74.4-7) may not be later than December 31 of the
20 year in which the payment to the municipal treasurer as
21 provided in subsection (b) of Section 11-74.4-8 of this Act is
22 to be made with respect to ad valorem taxes levied in the 32nd
23 calendar year after the year in which the ordinance approving
24 the redevelopment project area was adopted, if the ordinance
25 was adopted on September 9, 1999 by the Village of Downs.

26 The estimated dates of completion of the redevelopment

1 project and retirement of obligations issued to finance
2 redevelopment project costs (including refunding bonds under
3 Section 11-74.4-7) may not be later than December 31 of the
4 year in which the payment to the municipal treasurer as
5 provided in subsection (b) of Section 11-74.4-8 of this Act is
6 to be made with respect to ad valorem taxes levied in the 33rd
7 calendar year after the year in which the ordinance approving
8 the redevelopment project area was adopted, if the ordinance
9 was adopted on May 20, 1985 by the Village of Wheeling.

10 The estimated dates of completion of the redevelopment
11 project and retirement of obligations issued to finance
12 redevelopment project costs (including refunding bonds under
13 Section 11-74.4-7) may not be later than December 31 of the
14 year in which the payment to the municipal treasurer as
15 provided in subsection (b) of Section 11-74.4-8 of this Act is
16 to be made with respect to ad valorem taxes levied in the 28th
17 calendar year after the year in which the ordinance approving
18 the redevelopment project area was adopted, if the ordinance
19 was adopted on October 12, 1989 by the City of Lawrenceville.

20 The estimated dates of completion of the redevelopment
21 project and retirement of obligations issued to finance
22 redevelopment project costs (including refunding bonds under
23 Section 11-74.4-7) may not be later than December 31 of the
24 year in which the payment to the municipal treasurer as
25 provided in subsection (b) of Section 11-74.4-8 of this Act is
26 to be made with respect to ad valorem taxes levied in the 28th

1 calendar year after the year in which the ordinance approving
2 the redevelopment project area was adopted, if the ordinance
3 was adopted on October 12, 1989 by the City of Lawrenceville.

4 (c) The estimated dates of completion of the redevelopment
5 project and retirement of obligations issued to finance
6 redevelopment project costs (including refunding bonds under
7 Section 11-74.4-7) may not be later than December 31 of the
8 year in which the payment to the municipal treasurer as
9 provided in subsection (b) of Section 11-74.4-8 of this Act is
10 to be made with respect to ad valorem taxes levied in the 35th
11 calendar year after the year in which the ordinance approving
12 the redevelopment project area was adopted:

13 (1) if the ordinance was adopted before January 15,
14 1981;

15 (2) if the ordinance was adopted in December 1983,
16 April 1984, July 1985, or December 1989;

17 (3) if the ordinance was adopted in December 1987 and
18 the redevelopment project is located within one mile of
19 Midway Airport;

20 (4) if the ordinance was adopted before January 1, 1987
21 by a municipality in Mason County;

22 (5) if the municipality is subject to the Local
23 Government Financial Planning and Supervision Act or the
24 Financially Distressed City Law;

25 (6) if the ordinance was adopted in December 1984 by
26 the Village of Rosemont;

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

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

13 (9) if the ordinance was adopted on November 12, 1991
14 by the Village of Sauget;

15 (10) if the ordinance was adopted on February 11, 1985
16 by the City of Rock Island;

17 (11) if the ordinance was adopted before December 18,
18 1986 by the City of Moline;

19 (12) if the ordinance was adopted in September 1988 by
20 Sauk Village;

21 (13) if the ordinance was adopted in October 1993 by
22 Sauk Village;

23 (14) if the ordinance was adopted on December 29, 1986
24 by the City of Galva;

25 (15) if the ordinance was adopted in March 1991 by the
26 City of Centreville;

1 (16) if the ordinance was adopted on January 23, 1991
2 by the City of East St. Louis;

3 (17) if the ordinance was adopted on December 22, 1986
4 by the City of Aledo;

5 (18) if the ordinance was adopted on February 5, 1990
6 by the City of Clinton;

7 (19) if the ordinance was adopted on September 6, 1994
8 by the City of Freeport;

9 (20) if the ordinance was adopted on December 22, 1986
10 by the City of Tuscola;

11 (21) if the ordinance was adopted on December 23, 1986
12 by the City of Sparta;

13 (22) if the ordinance was adopted on December 23, 1986
14 by the City of Beardstown;

15 (23) if the ordinance was adopted on April 27, 1981,
16 October 21, 1985, or December 30, 1986 by the City of
17 Belleville;

18 (24) if the ordinance was adopted on December 29, 1986
19 by the City of Collinsville;

20 (25) if the ordinance was adopted on September 14, 1994
21 by the City of Alton;

22 (26) if the ordinance was adopted on November 11, 1996
23 by the City of Lexington;

24 (27) if the ordinance was adopted on November 5, 1984
25 by the City of LeRoy;

26 (28) if the ordinance was adopted on April 3, 1991 or

1 June 3, 1992 by the City of Markham;

2 (29) if the ordinance was adopted on November 11, 1986
3 by the City of Pekin;

4 (30) if the ordinance was adopted on December 15, 1981
5 by the City of Champaign;

6 (31) if the ordinance was adopted on December 15, 1986
7 by the City of Urbana;

8 (32) if the ordinance was adopted on December 15, 1986
9 by the Village of Heyworth;

10 (33) if the ordinance was adopted on February 24, 1992
11 by the Village of Heyworth;

12 (34) if the ordinance was adopted on March 16, 1995 by
13 the Village of Heyworth;

14 (35) if the ordinance was adopted on December 23, 1986
15 by the Town of Cicero;

16 (36) if the ordinance was adopted on December 30, 1986
17 by the City of Effingham;

18 (37) if the ordinance was adopted on May 9, 1991 by the
19 Village of Tilton;

20 (38) if the ordinance was adopted on October 20, 1986
21 by the City of Elmhurst;

22 (39) if the ordinance was adopted on January 19, 1988
23 by the City of Waukegan;

24 (40) if the ordinance was adopted on September 21, 1998
25 by the City of Waukegan;

26 (41) if the ordinance was adopted on December 31, 1986

1 by the City of Sullivan;

2 (42) if the ordinance was adopted on December 23, 1991

3 by the City of Sullivan;

4 (43) if the ordinance was adopted on December 31, 1986

5 by the City of Oglesby;

6 (44) if the ordinance was adopted on July 28, 1987 by

7 the City of Marion;

8 (45) if the ordinance was adopted on April 23, 1990 by

9 the City of Marion;

10 (46) if the ordinance was adopted on August 20, 1985 by

11 the Village of Mount Prospect;

12 (47) if the ordinance was adopted on February 2, 1998

13 by the Village of Woodhull;

14 (48) if the ordinance was adopted on April 20, 1993 by

15 the Village of Princeville;

16 (49) if the ordinance was adopted on July 1, 1986 by

17 the City of Granite City;

18 (50) if the ordinance was adopted on February 2, 1989

19 by the Village of Lombard;

20 (51) if the ordinance was adopted on December 29, 1986

21 by the Village of Gardner;

22 (52) if the ordinance was adopted on July 14, 1999 by

23 the Village of Paw Paw;

24 (53) if the ordinance was adopted on November 17, 1986

25 by the Village of Franklin Park;

26 (54) if the ordinance was adopted on November 20, 1989

1 by the Village of South Holland;

2 (55) if the ordinance was adopted on July 14, 1992 by
3 the Village of Riverdale;

4 (56) if the ordinance was adopted on December 29, 1986
5 by the City of Galesburg;

6 (57) if the ordinance was adopted on April 1, 1985 by
7 the City of Galesburg;

8 (58) if the ordinance was adopted on May 21, 1990 by
9 the City of West Chicago;

10 (59) if the ordinance was adopted on December 16, 1986
11 by the City of Oak Forest;

12 (60) if the ordinance was adopted in 1999 by the City
13 of Villa Grove;

14 (61) if the ordinance was adopted on January 13, 1987
15 by the Village of Mt. Zion;

16 (62) if the ordinance was adopted on December 30, 1986
17 by the Village of Manteno;

18 (63) if the ordinance was adopted on April 3, 1989 by
19 the City of Chicago Heights;

20 (64) if the ordinance was adopted on January 6, 1999 by
21 the Village of Rosemont;

22 (65) if the ordinance was adopted on December 19, 2000
23 by the Village of Stone Park;

24 (66) if the ordinance was adopted on December 22, 1986
25 by the City of DeKalb;

26 (67) if the ordinance was adopted on December 2, 1986

1 by the City of Aurora;

2 (68) if the ordinance was adopted on December 31, 1986

3 by the Village of Milan;

4 (69) if the ordinance was adopted on September 8, 1994

5 by the City of West Frankfort;

6 (70) if the ordinance was adopted on December 23, 1986

7 by the Village of Libertyville;

8 (71) if the ordinance was adopted on December 22, 1986

9 by the Village of Hoffman Estates;

10 (72) if the ordinance was adopted on September 17, 1986

11 by the Village of Sherman;

12 (73) if the ordinance was adopted on December 16, 1986

13 by the City of Macomb;

14 (74) if the ordinance was adopted on June 11, 2002 by

15 the City of East Peoria to create the West Washington

16 Street TIF;

17 (75) if the ordinance was adopted on June 11, 2002 by

18 the City of East Peoria to create the Camp Street TIF;

19 (76) if the ordinance was adopted on August 7, 2000 by

20 the City of Des Plaines;

21 (77) if the ordinance was adopted on December 22, 1986

22 by the City of Washington to create the Washington Square

23 TIF #2;

24 (78) if the ordinance was adopted on December 29, 1986

25 by the City of Morris;

26 (79) if the ordinance was adopted on July 6, 1998 by

1 the Village of Steeleville;

2 (80) if the ordinance was adopted on December 29, 1986
3 by the City of Pontiac to create TIF I (the Main St TIF);

4 (81) if the ordinance was adopted on December 29, 1986
5 by the City of Pontiac to create TIF II (the Interstate
6 TIF);

7 (82) if the ordinance was adopted on November 6, 2002
8 by the City of Chicago to create the Madden/Wells TIF
9 District;

10 (83) if the ordinance was adopted on November 4, 1998
11 by the City of Chicago to create the Roosevelt/Racine TIF
12 District;

13 (84) if the ordinance was adopted on June 10, 1998 by
14 the City of Chicago to create the Stony Island
15 Commercial/Burnside Industrial Corridors TIF District;

16 (85) if the ordinance was adopted on November 29, 1989
17 by the City of Chicago to create the Englewood Mall TIF
18 District;

19 (86) if the ordinance was adopted on December 27, 1986
20 by the City of Mendota;

21 (87) if the ordinance was adopted on December 31, 1986
22 by the Village of Cahokia;

23 (88) if the ordinance was adopted on September 20, 1999
24 by the City of Belleville;

25 (89) if the ordinance was adopted on December 30, 1986
26 by the Village of Bellevue to create the Bellevue TIF

1 District 1;

2 (90) if the ordinance was adopted on December 13, 1993
3 by the Village of Crete;

4 (91) if the ordinance was adopted on February 12, 2001
5 by the Village of Crete;

6 (92) if the ordinance was adopted on April 23, 2001 by
7 the Village of Crete;

8 (93) if the ordinance was adopted on December 16, 1986
9 by the City of Champaign;

10 (94) if the ordinance was adopted on December 20, 1986
11 by the City of Charleston;

12 (95) if the ordinance was adopted on June 6, 1989 by
13 the Village of Romeoville;

14 (96) if the ordinance was adopted on October 14, 1993
15 and amended on August 2, 2010 by the City of Venice;

16 (97) if the ordinance was adopted on June 1, 1994 by
17 the City of Markham;

18 (98) if the ordinance was adopted on May 19, 1998 by
19 the Village of Bensenville;

20 (99) if the ordinance was adopted on November 12, 1987
21 by the City of Dixon; ~~or~~

22 (100) if the ordinance was adopted on December 20, 1988
23 by the Village of Lansing; or ~~or~~

24 (101) ~~(95)~~ if the ordinance was adopted on October 27,
25 1998 by the City of Moline.

26 (d) For redevelopment project areas for which bonds were

1 issued before July 29, 1991, or for which contracts were
2 entered into before June 1, 1988, in connection with a
3 redevelopment project in the area within the State Sales Tax
4 Boundary, the estimated dates of completion of the
5 redevelopment project and retirement of obligations to finance
6 redevelopment project costs (including refunding bonds under
7 Section 11-74.4-7) may be extended by municipal ordinance to
8 December 31, 2013. The termination procedures of subsection (b)
9 of Section 11-74.4-8 are not required for these redevelopment
10 project areas in 2009 but are required in 2013. The extension
11 allowed by Public Act 87-1272 shall not apply to real property
12 tax increment allocation financing under Section 11-74.4-8.

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

25 (f) Those dates, for purposes of real property tax
26 increment allocation financing pursuant to Section 11-74.4-8

1 only, shall be not more than 35 years for redevelopment project
2 areas that were established on or after December 1, 1981 but
3 before January 1, 1982 and for which at least \$1,500,000 worth
4 of tax increment revenue bonds were authorized on or after
5 September 30, 1990 but before July 1, 1991; provided that the
6 municipality elects to extend the life of the redevelopment
7 project area to 35 years by the adoption of an ordinance after
8 at least 14 but not more than 30 days' written notice to the
9 taxing bodies, that would otherwise constitute the joint review
10 board for the redevelopment project area, before the adoption
11 of the ordinance.

12 (g) In consolidating the material relating to completion
13 dates from Sections 11-74.4-3 and 11-74.4-7 into this Section,
14 it is not the intent of the General Assembly to make any
15 substantive change in the law, except for the extension of the
16 completion dates for the City of Aurora, the Village of Milan,
17 the City of West Frankfort, the Village of Libertyville, and
18 the Village of Hoffman Estates set forth under items (67),
19 (68), (69), (70), and (71) of subsection (c) of this Section.

20 (Source: P.A. 96-127, eff. 8-4-09; 96-182, eff. 8-10-09;
21 96-208, eff. 8-10-09; 96-209, eff. 1-1-10; 96-213, eff.
22 8-10-09; 96-264, eff. 8-11-09; 96-328, eff. 8-11-09; 96-439,
23 eff. 8-14-09; 96-454, eff. 8-14-09; 96-722, eff. 8-25-09;
24 96-773, eff. 8-28-09; 96-830, eff. 12-4-09; 96-837, eff.
25 12-16-09; 96-1000, eff. 7-2-10; 96-1359, eff. 7-28-10;
26 96-1494, eff. 12-30-10; 96-1514, eff. 2-4-11; 96-1552, eff.

1 3-10-11; 97-93, eff. 1-1-12; 97-372, eff. 8-15-11; 97-600, eff.
2 8-26-11; 97-633, eff. 12-16-11; 97-635, eff. 12-16-11; revised
3 12-29-11.)

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

5 Sec. 11-74.4-4. Municipal powers and duties; redevelopment
6 project areas. The changes made by this amendatory Act of the
7 91st General Assembly do not apply to a municipality that, (i)
8 before the effective date of this amendatory Act of the 91st
9 General Assembly, has adopted an ordinance or resolution fixing
10 a time and place for a public hearing under Section 11-74.4-5
11 or (ii) before July 1, 1999, has adopted an ordinance or
12 resolution providing for a feasibility study under Section
13 11-74.4-4.1, but has not yet adopted an ordinance approving
14 redevelopment plans and redevelopment projects or designating
15 redevelopment project areas under this Section, until after
16 that municipality adopts an ordinance approving redevelopment
17 plans and redevelopment projects or designating redevelopment
18 project areas under this Section; thereafter the changes made
19 by this amendatory Act of the 91st General Assembly apply to
20 the same extent that they apply to redevelopment plans and
21 redevelopment projects that were approved and redevelopment
22 projects that were designated before the effective date of this
23 amendatory Act of the 91st General Assembly.

24 A municipality may:

25 (a) By ordinance introduced in the governing body of the

1 municipality within 14 to 90 days from the completion of the
2 hearing specified in Section 11-74.4-5 approve redevelopment
3 plans and redevelopment projects, and designate redevelopment
4 project areas pursuant to notice and hearing required by this
5 Act. No redevelopment project area shall be designated unless a
6 plan and project are approved prior to the designation of such
7 area and such area shall include only those contiguous parcels
8 of real property and improvements thereon substantially
9 benefited by the proposed redevelopment project improvements.
10 Upon adoption of the ordinances, the municipality shall
11 forthwith transmit to the Department of Commerce and Economic
12 Opportunity, the State Comptroller, and the county clerk of the
13 county or counties within which the redevelopment project area
14 is located a certified copy of the ordinances, a legal
15 description of the redevelopment project area, a map of the
16 redevelopment project area, identification of the year that the
17 county clerk shall use for determining the total initial
18 equalized assessed value of the redevelopment project area
19 consistent with subsection (a) of Section 11-74.4-9, and a list
20 of the parcel or tax identification number of each parcel of
21 property included in the redevelopment project area. On and
22 after January 1, 2013, the State Comptroller must post this
23 documentation on the State Comptroller's official website.
24 This information must be posted no later than 45 days after the
25 State Comptroller receives it from the municipality.
26 Notwithstanding any other provision of law, in a municipality

1 with a population exceeding 25,000 inhabitants, no
2 redevelopment project area may be designated on or after
3 January 1, 2012 if, as of the anticipated effective date of the
4 designation, the equalized assessed value of all property in
5 the redevelopment project area plus the total current equalized
6 assessed value of all property located in the municipality and
7 subject to tax increment financing under this Division exceeds
8 35% of the total equalized assessed value of all property
9 located in the municipality.

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

1 area.

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

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

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

1 (f) Install, repair, construct, reconstruct or relocate
2 streets, utilities and site improvements essential to the
3 preparation of the redevelopment area for use in accordance
4 with a redevelopment plan.

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

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

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

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

1 elsewhere in this Act.

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

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

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

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

1 pursuant to Section 11-74.4-6 of this Division, whichever
2 occurs first. For the purposes of this subsection, a property
3 interest acquired in a single parcel of property by a member of
4 the corporate authority, which property is used exclusively as
5 the member's primary residence, shall not be deemed to
6 constitute an interest in any property included in a
7 redevelopment area or proposed redevelopment area that was
8 established before December 31, 1989, but the member must
9 disclose the acquisition to the municipal clerk under the
10 provisions of this subsection. A single property interest
11 acquired within one year after the effective date of this
12 amendatory Act of the 94th General Assembly or 2 years after
13 the effective date of this amendatory Act of the 95th General
14 Assembly by a member of the corporate authority does not
15 constitute an interest in any property included in any
16 redevelopment area or proposed redevelopment area, regardless
17 of when the redevelopment area was established, if (i) the
18 property is used exclusively as the member's primary residence,
19 (ii) the member discloses the acquisition to the municipal
20 clerk under the provisions of this subsection, (iii) the
21 acquisition is for fair market value, (iv) the member acquires
22 the property as a result of the property being publicly
23 advertised for sale, and (v) the member refrains from voting
24 on, and communicating with other members concerning, any matter
25 when the benefits to the redevelopment project or area would be
26 significantly greater than the benefits to the municipality as

1 a whole. For the purposes of this subsection, a month-to-month
2 leasehold interest in a single parcel of property by a member
3 of the corporate authority shall not be deemed to constitute an
4 interest in any property included in any redevelopment area or
5 proposed redevelopment area, but the member must disclose the
6 interest to the municipal clerk under the provisions of this
7 subsection.

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

25 (p) Municipalities may jointly undertake and perform
26 redevelopment plans and projects and utilize the provisions of

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

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

14 (i) contiguous to the redevelopment project area from
15 which the revenues are received;

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

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

24 Utilize tax increment revenues for eligible costs that are
25 received from a redevelopment project area created under the
26 Industrial Jobs Recovery Law that is either contiguous to, or

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

23 On and after January 1, 2013, revenues used pursuant to
24 this subsection shall be used only for the mutual benefit of
25 the redevelopment project area that the revenues were received
26 from and the redevelopment project area to which the revenues

1 were sent. A redevelopment project area that uses revenues
2 pursuant to this subsection for reimbursement of private
3 developer costs may not transfer revenues to another
4 redevelopment project area before repaying the redevelopment
5 project area from which the revenues were received.
6 Notwithstanding the above, in a municipality with a population
7 of less than 25,000 inhabitants, public works or improvements
8 as defined in paragraph (4) of subsection (q) of Section
9 11-74.4-3 shall not be subject to this transfer prohibition.

10 (r) If no redevelopment project has been initiated in a
11 redevelopment project area within 7 years after the area was
12 designated by ordinance under subsection (a), the municipality
13 shall adopt an ordinance repealing the area's designation as a
14 redevelopment project area; provided, however, that if an area
15 received its designation more than 3 years before the effective
16 date of this amendatory Act of 1994 and no redevelopment
17 project has been initiated within 4 years after the effective
18 date of this amendatory Act of 1994, the municipality shall
19 adopt an ordinance repealing its designation as a redevelopment
20 project area. Initiation of a redevelopment project shall be
21 evidenced by either a signed redevelopment agreement or
22 expenditures on eligible redevelopment project costs
23 associated with a redevelopment project.

24 Notwithstanding any other provision of this Section to the
25 contrary, with respect to a redevelopment project area
26 designated by an ordinance that was adopted on July 29, 1998 by

1 the City of Chicago, the City of Chicago shall adopt an
2 ordinance repealing the area's designation as a redevelopment
3 project area if no redevelopment project has been initiated in
4 the redevelopment project area within 15 years after the
5 designation of the area. The City of Chicago may retroactively
6 repeal any ordinance adopted by the City of Chicago, pursuant
7 to this subsection (r), that repealed the designation of a
8 redevelopment project area designated by an ordinance that was
9 adopted by the City of Chicago on July 29, 1998. The City of
10 Chicago has 90 days after the effective date of this amendatory
11 Act to repeal the ordinance. The changes to this Section made
12 by this amendatory Act of the 96th General Assembly apply
13 retroactively to July 27, 2005.

14 (s) Notwithstanding any provision of this Section to the
15 contrary, the owner or party responsible for the payment of
16 real estate taxes upon property located within a redevelopment
17 project area shall retain the right to contest or object in
18 good faith to the proposed property tax assessment upon that
19 property in any given year during the term of the redevelopment
20 project area agreement.

21 (Source: P.A. 96-1555, eff. 3-18-11; 97-333, eff. 8-12-11.)

22 (65 ILCS 5/11-74.4-5) (from Ch. 24, par. 11-74.4-5)

23 Sec. 11-74.4-5. Public hearing; joint review board.

24 (a) The changes made by this amendatory Act of the 91st
25 General Assembly do not apply to a municipality that, (i)

1 before the effective date of this amendatory Act of the 91st
2 General Assembly, has adopted an ordinance or resolution fixing
3 a time and place for a public hearing under this Section or
4 (ii) before July 1, 1999, has adopted an ordinance or
5 resolution providing for a feasibility study under Section
6 11-74.4-4.1, but has not yet adopted an ordinance approving
7 redevelopment plans and redevelopment projects or designating
8 redevelopment project areas under Section 11-74.4-4, until
9 after that municipality adopts an ordinance approving
10 redevelopment plans and redevelopment projects or designating
11 redevelopment project areas under Section 11-74.4-4;
12 thereafter the changes made by this amendatory Act of the 91st
13 General Assembly apply to the same extent that they apply to
14 redevelopment plans and redevelopment projects that were
15 approved and redevelopment projects that were designated
16 before the effective date of this amendatory Act of the 91st
17 General Assembly.

18 Prior to the adoption of an ordinance proposing the
19 designation of a redevelopment project area, or approving a
20 redevelopment plan or redevelopment project, the municipality
21 by its corporate authorities, or as it may determine by any
22 commission designated under subsection (k) of Section
23 11-74.4-4 shall adopt an ordinance or resolution fixing a time
24 and place for public hearing. At least 10 days prior to the
25 adoption of the ordinance or resolution establishing the time
26 and place for the public hearing, the municipality shall make

1 available for public inspection a redevelopment plan or a
2 separate report that provides in reasonable detail the basis
3 for the eligibility of the redevelopment project area. The
4 report along with the name of a person to contact for further
5 information shall be sent within a reasonable time after the
6 adoption of such ordinance or resolution to the affected taxing
7 districts by certified mail. On and after the effective date of
8 this amendatory Act of the 91st General Assembly, the
9 municipality shall print in a newspaper of general circulation
10 within the municipality a notice that interested persons may
11 register with the municipality in order to receive information
12 on the proposed designation of a redevelopment project area or
13 the approval of a redevelopment plan. The notice shall state
14 the place of registration and the operating hours of that
15 place. The municipality shall have adopted reasonable rules to
16 implement this registration process under Section 11-74.4-4.2.
17 The municipality shall provide notice of the availability of
18 the redevelopment plan and eligibility report, including how to
19 obtain this information, by mail within a reasonable time after
20 the adoption of the ordinance or resolution, to all residential
21 addresses that, after a good faith effort, the municipality
22 determines are located outside the proposed redevelopment
23 project area and within 750 feet of the boundaries of the
24 proposed redevelopment project area. This requirement is
25 subject to the limitation that in a municipality with a
26 population of over 100,000, if the total number of residential

1 addresses outside the proposed redevelopment project area and
2 within 750 feet of the boundaries of the proposed redevelopment
3 project area exceeds 750, the municipality shall be required to
4 provide the notice to only the 750 residential addresses that,
5 after a good faith effort, the municipality determines are
6 outside the proposed redevelopment project area and closest to
7 the boundaries of the proposed redevelopment project area.
8 Notwithstanding the foregoing, notice given after August 7,
9 2001 (the effective date of Public Act 92-263) and before the
10 effective date of this amendatory Act of the 92nd General
11 Assembly to residential addresses within 750 feet of the
12 boundaries of a proposed redevelopment project area shall be
13 deemed to have been sufficiently given in compliance with this
14 Act if given only to residents outside the boundaries of the
15 proposed redevelopment project area. The notice shall also be
16 provided by the municipality, regardless of its population, to
17 those organizations and residents that have registered with the
18 municipality for that information in accordance with the
19 registration guidelines established by the municipality under
20 Section 11-74.4-4.2.

21 At the public hearing any interested person or affected
22 taxing district may file with the municipal clerk written
23 objections to and may be heard orally in respect to any issues
24 embodied in the notice. The municipality shall hear all
25 protests and objections at the hearing, granting each witness a
26 reasonable amount of time for testimony, and the hearing may be

1 adjourned to another date without further notice other than a
2 motion to be entered upon the minutes fixing the time and place
3 of the subsequent hearing. At the public hearing or at any time
4 prior to the adoption by the municipality of an ordinance
5 approving a redevelopment plan, the municipality may make
6 changes in the redevelopment plan. Changes which (1) add
7 additional parcels of property to the proposed redevelopment
8 project area, other than parcels to be removed from a
9 redevelopment project area for the purpose of inclusion in
10 another redevelopment project area, (2) substantially affect
11 the general land uses proposed in the redevelopment plan, (3)
12 substantially change the nature of or extend the life of the
13 redevelopment project, or (4) increase the number of inhabited
14 residential units to be displaced from the redevelopment
15 project area, as measured from the time of creation of the
16 redevelopment project area, to a total of more than 10, shall
17 be made only after the municipality gives notice, convenes a
18 joint review board, and conducts a public hearing pursuant to
19 the procedures set forth in this Section and in Section
20 11-74.4-6 of this Act. Changes which do not (1) add additional
21 parcels of property to the proposed redevelopment project area,
22 other than parcels to be removed from a redevelopment project
23 area for the purpose of inclusion in another redevelopment
24 project area, (2) substantially affect the general land uses
25 proposed in the redevelopment plan, (3) substantially change
26 the nature of or extend the life of the redevelopment project,

1 or (4) increase the number of inhabited residential units to be
2 displaced from the redevelopment project area, as measured from
3 the time of creation of the redevelopment project area, to a
4 total of more than 10, may be made without further hearing,
5 provided that the municipality shall give notice of any such
6 changes by mail to each affected taxing district and registrant
7 on the interested parties registry, provided for under Section
8 11-74.4-4.2, and by publication in a newspaper of general
9 circulation within the affected taxing district. Such notice by
10 mail and by publication shall each occur not later than 10 days
11 following the adoption by ordinance of such changes. Hearings
12 with regard to a redevelopment project area, project or plan
13 may be held simultaneously.

14 (b) Prior to holding a public hearing to approve or amend a
15 redevelopment plan or to designate or add additional parcels of
16 property to a redevelopment project area, the municipality
17 shall convene a joint review board. The board shall consist of
18 a representative selected by each community college district,
19 local elementary school district and high school district or
20 each local community unit school district, park district,
21 library district, township, fire protection district, and
22 county that will have the authority to directly levy taxes on
23 the property within the proposed redevelopment project area at
24 the time that the proposed redevelopment project area is
25 approved, a representative selected by the municipality and a
26 public member. The public member shall first be selected and

1 then the board's chairperson shall be selected by a majority of
2 the board members present and voting.

3 For redevelopment project areas with redevelopment plans
4 or proposed redevelopment plans that would result in the
5 displacement of residents from 10 or more inhabited residential
6 units or that include 75 or more inhabited residential units,
7 the public member shall be a person who resides in the
8 redevelopment project area. If, as determined by the housing
9 impact study provided for in paragraph (5) of subsection (n) of
10 Section 11-74.4-3, or if no housing impact study is required
11 then based on other reasonable data, the majority of
12 residential units are occupied by very low, low, or moderate
13 income households, as defined in Section 3 of the Illinois
14 Affordable Housing Act, the public member shall be a person who
15 resides in very low, low, or moderate income housing within the
16 redevelopment project area. Municipalities with fewer than
17 15,000 residents shall not be required to select a person who
18 lives in very low, low, or moderate income housing within the
19 redevelopment project area, provided that the redevelopment
20 plan or project will not result in displacement of residents
21 from 10 or more inhabited units, and the municipality so
22 certifies in the plan. If no person satisfying these
23 requirements is available or if no qualified person will serve
24 as the public member, then the joint review board is relieved
25 of this paragraph's selection requirements for the public
26 member.

1 Within 90 days of the effective date of this amendatory Act
2 of the 91st General Assembly, each municipality that designated
3 a redevelopment project area for which it was not required to
4 convene a joint review board under this Section shall convene a
5 joint review board to perform the duties specified under
6 paragraph (e) of this Section.

7 All board members shall be appointed and the first board
8 meeting shall be held at least 14 days but not more than 28
9 days after the mailing of notice by the municipality to the
10 taxing districts as required by Section 11-74.4-6(c).
11 Notwithstanding the preceding sentence, a municipality that
12 adopted either a public hearing resolution or a feasibility
13 resolution between July 1, 1999 and July 1, 2000 that called
14 for the meeting of the joint review board within 14 days of
15 notice of public hearing to affected taxing districts is deemed
16 to be in compliance with the notice, meeting, and public
17 hearing provisions of the Act. Such notice shall also advise
18 the taxing bodies represented on the joint review board of the
19 time and place of the first meeting of the board. Additional
20 meetings of the board shall be held upon the call of any
21 member. The municipality seeking designation of the
22 redevelopment project area shall provide administrative
23 support to the board.

24 The board shall review (i) the public record, planning
25 documents and proposed ordinances approving the redevelopment
26 plan and project and (ii) proposed amendments to the

1 redevelopment plan or additions of parcels of property to the
2 redevelopment project area to be adopted by the municipality.
3 As part of its deliberations, the board may hold additional
4 hearings on the proposal. A board's initial recommendation
5 shall be an advisory, non-binding recommendation. The
6 recommendation shall be adopted by a majority of those members
7 present and voting. The recommendations shall be submitted to
8 the municipality within 30 days after convening of the board.
9 Failure of the board to submit its report on a timely basis
10 shall not be cause to delay the public hearing or any other
11 step in the process of designating or amending the
12 redevelopment project area but shall be deemed to constitute
13 approval by the joint review board of the matters before it.

14 The board shall base its recommendation to approve or
15 disapprove the redevelopment plan and the designation of the
16 redevelopment project area or the amendment of the
17 redevelopment plan or addition of parcels of property to the
18 redevelopment project area on the basis of the redevelopment
19 project area and redevelopment plan satisfying the plan
20 requirements, the eligibility criteria defined in Section
21 11-74.4-3, and the objectives of this Act.

22 The board shall issue a written report describing why the
23 redevelopment plan and project area or the amendment thereof
24 meets or fails to meet one or more of the objectives of this
25 Act and both the plan requirements and the eligibility criteria
26 defined in Section 11-74.4-3. In the event the Board does not

1 file a report it shall be presumed that these taxing bodies
2 find the redevelopment project area and redevelopment plan
3 satisfy the objectives of this Act and the plan requirements
4 and eligibility criteria.

5 If the board recommends rejection of the matters before it,
6 the municipality will have 30 days within which to resubmit the
7 plan or amendment. During this period, the municipality will
8 meet and confer with the board and attempt to resolve those
9 issues set forth in the board's written report that led to the
10 rejection of the plan or amendment.

11 Notwithstanding the resubmission set forth above, the
12 municipality may commence the scheduled public hearing and
13 either adjourn the public hearing or continue the public
14 hearing until a date certain. Prior to continuing any public
15 hearing to a date certain, the municipality shall announce
16 during the public hearing the time, date, and location for the
17 reconvening of the public hearing. Any changes to the
18 redevelopment plan necessary to satisfy the issues set forth in
19 the joint review board report shall be the subject of a public
20 hearing before the hearing is adjourned if the changes would
21 (1) substantially affect the general land uses proposed in the
22 redevelopment plan, (2) substantially change the nature of or
23 extend the life of the redevelopment project, or (3) increase
24 the number of inhabited residential units to be displaced from
25 the redevelopment project area, as measured from the time of
26 creation of the redevelopment project area, to a total of more

1 than 10. Changes to the redevelopment plan necessary to satisfy
2 the issues set forth in the joint review board report shall not
3 require any further notice or convening of a joint review board
4 meeting, except that any changes to the redevelopment plan that
5 would add additional parcels of property to the proposed
6 redevelopment project area shall be subject to the notice,
7 public hearing, and joint review board meeting requirements
8 established for such changes by subsection (a) of Section
9 11-74.4-5.

10 Before January 1, 2013, in ~~in~~ the event that the
11 municipality and the board are unable to resolve these
12 differences, or in the event that the resubmitted plan or
13 amendment is rejected by the board, the municipality may
14 proceed with the plan or amendment, but only upon a
15 three-fifths vote of the corporate authority responsible for
16 approval of the plan or amendment, excluding positions of
17 members that are vacant and those members that are ineligible
18 to vote because of conflicts of interest.

19 On and after January 1, 2013, in the event that a
20 resubmitted plan or amendment is rejected by a three-fifths
21 vote of the representatives on the joint review board, with
22 each member having an equal vote, the municipality may not
23 proceed with the plan or amendment. Each taxing district voting
24 to reject a plan or amendment shall send documentation
25 explaining its opposition to the State Comptroller. The State
26 Comptroller must post this documentation on the State

1 Comptroller's official website. This information must be
2 posted no later than 45 days after the State Comptroller
3 receives the information from the taxing districts.

4 (c) After a municipality has by ordinance approved a
5 redevelopment plan and designated a redevelopment project
6 area, the plan may be amended and additional properties may be
7 added to the redevelopment project area only as herein
8 provided. Amendments which (1) add additional parcels of
9 property to the proposed redevelopment project area, (2)
10 substantially affect the general land uses proposed in the
11 redevelopment plan, (3) substantially change the nature of the
12 redevelopment project, (4) increase the total estimated
13 redevelopment project costs set out in the redevelopment plan
14 by more than 5% after adjustment for inflation from the date
15 the plan was adopted, (5) add additional redevelopment project
16 costs to the itemized list of redevelopment project costs set
17 out in the redevelopment plan, or (6) increase the number of
18 inhabited residential units to be displaced from the
19 redevelopment project area, as measured from the time of
20 creation of the redevelopment project area, to a total of more
21 than 10, shall be made only after the municipality gives
22 notice, convenes a joint review board, and conducts a public
23 hearing pursuant to the procedures set forth in this Section
24 and in Section 11-74.4-6 of this Act. Changes which do not (1)
25 add additional parcels of property to the proposed
26 redevelopment project area, (2) substantially affect the

1 general land uses proposed in the redevelopment plan, (3)
2 substantially change the nature of the redevelopment project,
3 (4) increase the total estimated redevelopment project cost set
4 out in the redevelopment plan by more than 5% after adjustment
5 for inflation from the date the plan was adopted, (5) add
6 additional redevelopment project costs to the itemized list of
7 redevelopment project costs set out in the redevelopment plan,
8 or (6) increase the number of inhabited residential units to be
9 displaced from the redevelopment project area, as measured from
10 the time of creation of the redevelopment project area, to a
11 total of more than 10, may be made without further public
12 hearing and related notices and procedures including the
13 convening of a joint review board as set forth in Section
14 11-74.4-6 of this Act, provided that the municipality shall
15 give notice of any such changes by mail to each affected taxing
16 district and registrant on the interested parties registry,
17 provided for under Section 11-74.4-4.2, and by publication in a
18 newspaper of general circulation within the affected taxing
19 district. Such notice by mail and by publication shall each
20 occur not later than 10 days following the adoption by
21 ordinance of such changes.

22 (d) After the effective date of this amendatory Act of the
23 91st General Assembly, a municipality shall submit in an
24 electronic format the following information for each
25 redevelopment project area (i) to the State Comptroller under
26 Section 8-8-3.5 of the Illinois Municipal Code and (ii) to all

1 taxing districts overlapping the redevelopment project area no
2 later than 180 days after the close of each municipal fiscal
3 year or as soon thereafter as the audited financial statements
4 become available and, in any case, shall be submitted before
5 the annual meeting of the Joint Review Board to each of the
6 taxing districts that overlap the redevelopment project area:

7 (1) Any amendments to the redevelopment plan, the
8 redevelopment project area, or the State Sales Tax
9 Boundary.

10 (1.5) A list of the redevelopment project areas
11 administered by the municipality and, if applicable, the
12 date each redevelopment project area was designated or
13 terminated by the municipality.

14 (2) Audited financial statements of the special tax
15 allocation fund once a cumulative total of \$100,000 has
16 been deposited in the fund.

17 (3) Certification of the Chief Executive Officer of the
18 municipality that the municipality has complied with all of
19 the requirements of this Act during the preceding fiscal
20 year.

21 (4) An opinion of legal counsel that the municipality
22 is in compliance with this Act.

23 (5) An analysis of the special tax allocation fund
24 which sets forth:

25 (A) the balance in the special tax allocation fund
26 at the beginning of the fiscal year;

1 (B) all amounts deposited in the special tax
2 allocation fund by source, including any amounts
3 received from another redevelopment project area;

4 (C) an itemized list of all expenditures from the
5 special tax allocation fund by category of permissible
6 redevelopment project cost, including any amounts
7 transferred to another redevelopment project area; and

8 (D) the balance in the special tax allocation fund
9 at the end of the fiscal year including a breakdown of
10 that balance by source and a breakdown of that balance
11 identifying any portion of the balance that is
12 required, pledged, earmarked, or otherwise designated
13 for payment of or securing of obligations and
14 anticipated redevelopment project costs. Any portion
15 of such ending balance that has not been identified or
16 is not identified as being required, pledged,
17 earmarked, or otherwise designated for payment of or
18 securing of obligations or anticipated redevelopment
19 projects costs shall be designated as surplus as set
20 forth in Section 11-74.4-7 hereof. Beginning on
21 January 1, 2013, all accumulated tax incremental
22 revenues that have not been designated for use for a
23 specific development project or other specified
24 anticipated use shall be designated as surplus.
25 Beginning on January 1, 2013, all accumulated tax
26 incremental revenues that have been designated for use

1 for a specific development project or other specified
2 use but that have not been used for that project or use
3 shall be designated as surplus after 10 years.

4 (6) A description of all property purchased by the
5 municipality within the redevelopment project area
6 including:

7 (A) Street address.

8 (B) Approximate size or description of property.

9 (C) Purchase price.

10 (D) Seller of property.

11 (7) A statement setting forth all activities
12 undertaken in furtherance of the objectives of the
13 redevelopment plan, including:

14 (A) Any project implemented in the preceding
15 fiscal year.

16 (B) A description of the redevelopment activities
17 undertaken.

18 (C) A description of any agreements entered into by
19 the municipality with regard to the disposition or
20 redevelopment of any property within the redevelopment
21 project area or the area within the State Sales Tax
22 Boundary.

23 (D) Additional information on the use of all funds
24 received under this Division and steps taken by the
25 municipality to achieve the objectives of the
26 redevelopment plan.

1 (E) Information regarding contracts that the
2 municipality's tax increment advisors or consultants
3 have entered into with entities or persons that have
4 received, or are receiving, payments financed by tax
5 increment revenues produced by the same redevelopment
6 project area.

7 (F) Any reports submitted to the municipality by
8 the joint review board.

9 (G) A review of public and, to the extent possible,
10 private investment actually undertaken to date after
11 the effective date of this amendatory Act of the 91st
12 General Assembly and estimated to be undertaken during
13 the following year. This review shall, on a
14 project-by-project basis, set forth the estimated
15 amounts of public and private investment incurred
16 after the effective date of this amendatory Act of the
17 91st General Assembly and provide the ratio of private
18 investment to public investment to the date of the
19 report and as estimated to the completion of the
20 redevelopment project.

21 (8) With regard to any obligations issued by the
22 municipality:

23 (A) copies of any official statements; and

24 (B) an analysis prepared by financial advisor or
25 underwriter setting forth: (i) nature and term of
26 obligation; and (ii) projected debt service including

1 required reserves and debt coverage.

2 (9) For special tax allocation funds that have
3 experienced cumulative deposits of incremental tax
4 revenues of \$100,000 or more, a certified audit report
5 reviewing compliance with this Act performed by an
6 independent public accountant certified and licensed by
7 the authority of the State of Illinois. The financial
8 portion of the audit must be conducted in accordance with
9 Standards for Audits of Governmental Organizations,
10 Programs, Activities, and Functions adopted by the
11 Comptroller General of the United States (1981), as
12 amended, or the standards specified by Section 8-8-5 of the
13 Illinois Municipal Auditing Law of the Illinois Municipal
14 Code. The audit report shall contain a letter from the
15 independent certified public accountant indicating
16 compliance or noncompliance with the requirements of
17 subsection (q) of Section 11-74.4-3. For redevelopment
18 plans or projects that would result in the displacement of
19 residents from 10 or more inhabited residential units or
20 that contain 75 or more inhabited residential units, notice
21 of the availability of the information, including how to
22 obtain the report, required in this subsection shall also
23 be sent by mail to all residents or organizations that
24 operate in the municipality that register with the
25 municipality for that information according to
26 registration procedures adopted under Section 11-74.4-4.2.

1 All municipalities are subject to this provision.

2 (10) A list of all intergovernmental agreements in
3 effect during the fiscal year to which the municipality is
4 a party and an accounting of any moneys transferred or
5 received by the municipality during that fiscal year
6 pursuant to those intergovernmental agreements.

7 (11) A detailed list of jobs created or retained during
8 the fiscal year, both temporary and permanent, along with a
9 description of whether the jobs are in the public or
10 private sector, to the extent that the information is
11 required to be reported to the municipality pursuant to a
12 redevelopment agreement or other written agreement.

13 (d-1) Prior to the effective date of this amendatory Act of
14 the 91st General Assembly, municipalities with populations of
15 over 1,000,000 shall, after adoption of a redevelopment plan or
16 project, make available upon request to any taxing district in
17 which the redevelopment project area is located the following
18 information:

19 (1) Any amendments to the redevelopment plan, the
20 redevelopment project area, or the State Sales Tax
21 Boundary; and

22 (2) In connection with any redevelopment project area
23 for which the municipality has outstanding obligations
24 issued to provide for redevelopment project costs pursuant
25 to Section 11-74.4-7, audited financial statements of the
26 special tax allocation fund.

1 (e) The joint review board shall meet annually 180 days
2 after the close of the municipal fiscal year or as soon as the
3 redevelopment project audit for that fiscal year becomes
4 available to review the effectiveness and status of the
5 redevelopment project area up to that date.

6 (f) (Blank).

7 (g) In the event that a municipality has held a public
8 hearing under this Section prior to March 14, 1994 (the
9 effective date of Public Act 88-537), the requirements imposed
10 by Public Act 88-537 relating to the method of fixing the time
11 and place for public hearing, the materials and information
12 required to be made available for public inspection, and the
13 information required to be sent after adoption of an ordinance
14 or resolution fixing a time and place for public hearing shall
15 not be applicable.

16 (h) On and after the effective date of this amendatory Act
17 of the 96th General Assembly, the State Comptroller must post
18 on the State Comptroller's official website the information
19 submitted by a municipality pursuant to subsection (d) of this
20 Section. The information must be posted no later than 45 days
21 after the State Comptroller receives the information from the
22 municipality. The State Comptroller must also post a list of
23 the municipalities not in compliance with the reporting
24 requirements set forth in subsection (d) of this Section.

25 (i) No later than 10 years after the corporate authorities
26 of a municipality adopt an ordinance to establish a

1 redevelopment project area, the municipality must compile a
2 status report concerning the redevelopment project area. The
3 status report must detail without limitation the following: (i)
4 the amount of revenue generated within the redevelopment
5 project area, (ii) any expenditures made by the municipality
6 for the redevelopment project area including without
7 limitation expenditures from the special tax allocation fund,
8 (iii) the status of planned activities, goals, and objectives
9 set forth in the redevelopment plan including details on new or
10 planned construction within the redevelopment project area,
11 (iv) the amount of private and public investment within the
12 redevelopment project area, and (v) any other relevant
13 evaluation or performance data. Within 30 days after the
14 municipality compiles the status report, the municipality must
15 hold at least one public hearing concerning the report. The
16 municipality must provide 20 days' public notice of the
17 hearing.

18 (j) Beginning in fiscal year 2011 and in each fiscal year
19 thereafter, a municipality must detail in its annual budget (i)
20 the revenues generated from redevelopment project areas by
21 source and (ii) the expenditures made by the municipality for
22 redevelopment project areas.

23 (k) The State Comptroller may charge a municipality an
24 annual fee for the Comptroller's costs related to the
25 requirements of this Act. The aggregate total of fees charged
26 to any municipality in any year under this subsection shall not

1 exceed \$5,000 for a municipality with a population in excess of
2 2,000,000 inhabitants, \$1,000 for a municipality with a
3 population in excess of 100,000 inhabitants but not more than
4 2,000,000 inhabitants, \$500 for a municipality with a
5 population in excess of 50,000 inhabitants but not more than
6 100,000 inhabitants, and \$250 for a municipality with a
7 population of not more than 50,000 inhabitants. All fees
8 collected under this subsection shall be deposited into the
9 Comptroller's Administrative Fund.

10 (Source: P.A. 96-1335, eff. 7-27-10.)

11 (65 ILCS 5/11-74.6-15)

12 Sec. 11-74.6-15. Municipal Powers and Duties. A
13 municipality may:

14 (a) By ordinance introduced in the governing body of the
15 municipality within 14 to 90 days from the final adjournment of
16 the hearing specified in Section 11-74.6-22, approve
17 redevelopment plans and redevelopment projects, and designate
18 redevelopment planning areas and redevelopment project areas
19 pursuant to notice and hearing required by this Act. No
20 redevelopment planning area or redevelopment project area
21 shall be designated unless a plan and project are approved
22 before the designation of the area and the area shall include
23 only those parcels of real property and improvements on those
24 parcels substantially benefited by the proposed redevelopment
25 project improvements. Upon adoption of the ordinances, the

1 municipality shall forthwith transmit to the Department of
2 Commerce and Economic Opportunity, the State Comptroller, and
3 the county clerk of the county or counties within which the
4 redevelopment project area is located a certified copy of the
5 ordinances, a legal description of the redevelopment project
6 area, a map of the redevelopment project area, identification
7 of the year that the county clerk shall use for determining the
8 total initial equalized assessed value of the redevelopment
9 project area consistent with subsection (a) of Section
10 11-74.6-40, and a list of the parcel or tax identification
11 number of each parcel of property included in the redevelopment
12 project area. On or after January 1, 2013, the State
13 Comptroller must post this documentation on the State
14 Comptroller's official website. This information must be
15 posted no later than 45 days after the State Comptroller
16 receives it from the municipality. Notwithstanding any other
17 provision of law, in a municipality with a population exceeding
18 25,000 inhabitants, no redevelopment project area may be
19 designated on or after January 1, 2013 if, as of the effective
20 date of the designation, the equalized assessed value of all
21 property in the redevelopment project area plus the total
22 current equalized assessed value of all property located in the
23 municipality and subject to tax increment financing under this
24 Division exceeds 35% of the total equalized assessed value of
25 all property located in the municipality.

26 (b) Make and enter into all contracts necessary or

1 incidental to the implementation and furtherance of its
2 redevelopment plan and project.

3 (c) Within a redevelopment project area, acquire by
4 purchase, donation, lease or eminent domain; own, convey,
5 lease, mortgage or dispose of land and other property, real or
6 personal, or rights or interests therein, and grant or acquire
7 licenses, easements and options with respect to that property,
8 all in the manner and at a price that the municipality
9 determines is reasonably necessary to achieve the objectives of
10 the redevelopment plan and project. No conveyance, lease,
11 mortgage, disposition of land or other property owned by a
12 municipality, or agreement relating to the development of the
13 municipal property shall be made or executed except pursuant to
14 prior official action of the corporate authorities of the
15 municipality. No conveyance, lease, mortgage, or other
16 disposition of land owned by a municipality, and no agreement
17 relating to the development of the municipal property, shall be
18 made without making public disclosure of the terms and the
19 disposition of all bids and proposals submitted to the
20 municipality in connection therewith. The procedures for
21 obtaining the bids and proposals shall provide reasonable
22 opportunity for any person to submit alternative proposals or
23 bids.

24 (d) Within a redevelopment project area, clear any area by
25 demolition or removal of any existing buildings, structures,
26 fixtures, utilities or improvements, and to clear and grade

1 land.

2 (e) Within a redevelopment project area, renovate or
3 rehabilitate or construct any structure or building, as
4 permitted under this Law.

5 (f) Within or without a redevelopment project area,
6 install, repair, construct, reconstruct or relocate streets,
7 utilities and site improvements essential to the preparation of
8 the redevelopment area for use in accordance with a
9 redevelopment plan.

10 (g) Within a redevelopment project area, fix, charge and
11 collect fees, rents and charges for the use of all or any part
12 of any building or property owned or leased by it.

13 (h) Issue obligations as provided in this Act.

14 (i) Accept grants, guarantees and donations of property,
15 labor, or other things of value from a public or private source
16 for use within a project redevelopment area.

17 (j) Acquire and construct public facilities within a
18 redevelopment project area, as permitted under this Law.

19 (k) Incur, pay or cause to be paid redevelopment project
20 costs; provided, however, that on and after the effective date
21 of this amendatory Act of the 91st General Assembly, no
22 municipality shall incur redevelopment project costs (except
23 for planning and other eligible costs authorized by municipal
24 ordinance or resolution that are subsequently included in the
25 redevelopment plan for the area and are incurred after the
26 ordinance or resolution is adopted) that are not consistent

1 with the program for accomplishing the objectives of the
2 redevelopment plan as included in that plan and approved by the
3 municipality until the municipality has amended the
4 redevelopment plan as provided elsewhere in this Law. Any
5 payments to be made by the municipality to redevelopers or
6 other nongovernmental persons for redevelopment project costs
7 incurred by such redeveloper or other nongovernmental person
8 shall be made only pursuant to the prior official action of the
9 municipality evidencing an intent to pay or cause to be paid
10 such redevelopment project costs. A municipality is not
11 required to obtain any right, title or interest in any real or
12 personal property in order to pay redevelopment project costs
13 associated with such property. The municipality shall adopt
14 such accounting procedures as may be necessary to determine
15 that such redevelopment project costs are properly paid.

16 (1) Create a commission of not less than 5 or more than 15
17 persons to be appointed by the mayor or president of the
18 municipality with the consent of the majority of the governing
19 board of the municipality. Members of a commission appointed
20 after the effective date of this Law shall be appointed for
21 initial terms of 1, 2, 3, 4 and 5 years, respectively, in
22 numbers so that the terms of not more than 1/3 of all members
23 expire in any one year. Their successors shall be appointed for
24 a term of 5 years. The commission, subject to approval of the
25 corporate authorities of the municipality, may exercise the
26 powers enumerated in this Section. The commission shall also

1 have the power to hold the public hearings required by this Act
2 and make recommendations to the corporate authorities
3 concerning the adoption of redevelopment plans, redevelopment
4 projects and designation of redevelopment project areas.

5 (m) Make payment in lieu of all or a portion of real
6 property taxes due to taxing districts. If payments in lieu of
7 all or a portion of taxes are made to taxing districts, those
8 payments shall be made to all districts within a redevelopment
9 project area on a basis that is proportional to the current
10 collection of revenue which each taxing district receives from
11 real property in the redevelopment project area.

12 (n) Exercise any and all other powers necessary to
13 effectuate the purposes of this Act.

14 (o) In conjunction with other municipalities, undertake
15 and perform redevelopment plans and projects and utilize the
16 provisions of the Act wherever they have contiguous
17 redevelopment project areas or they determine to adopt tax
18 increment allocation financing with respect to a redevelopment
19 project area that includes contiguous real property within the
20 boundaries of the municipalities, and, by agreement between
21 participating municipalities, to issue obligations, separately
22 or jointly, and expend revenues received under this Act for
23 eligible expenses anywhere within contiguous redevelopment
24 project areas or as otherwise permitted in the Act. Two or more
25 municipalities may designate a joint redevelopment project
26 area under this subsection (o) for a single Industrial Park

1 Conservation Area comprising of property within or near the
2 boundaries of each municipality if: (i) both municipalities are
3 located within the same Metropolitan Statistical Area, as
4 defined by the United States Office of Management and Budget,
5 (ii) the 4-year average unemployment rate for that Metropolitan
6 Statistical Area was at least 11.3%, and (iii) at least one
7 participating municipality demonstrates that it has made
8 commitments to acquire capital assets to commence the project
9 and that the acquisition will occur on or before December 31,
10 2011. The joint redevelopment project area must encompass an
11 interstate highway exchange for access and be located, in part,
12 adjacent to a landfill or other solid waste disposal facility.

13 (p) Create an Industrial Jobs Recovery Advisory Committee
14 of not more than 15 members to be appointed by the mayor or
15 president of the municipality with the consent of the majority
16 of the governing board of the municipality. The members of that
17 Committee shall be appointed for initial terms of 1, 2, and 3
18 years respectively, in numbers so that the terms of not more
19 than 1/3 of all members expire in any one year. Their
20 successors shall be appointed for a term of 3 years. The
21 Committee shall have none of the powers enumerated in this
22 Section. The Committee shall serve in an advisory capacity
23 only. The Committee may advise the governing board of the
24 municipality and other municipal officials regarding
25 development issues and opportunities within the redevelopment
26 project area. The Committee may also promote and publicize

1 development opportunities in the redevelopment project area.

2 (q) If a redevelopment project has not been initiated in a
3 redevelopment project area within 5 years after the area was
4 designated by ordinance under subsection (a), the municipality
5 shall adopt an ordinance repealing the area's designation as a
6 redevelopment project area. Initiation of a redevelopment
7 project shall be evidenced by either a signed redevelopment
8 agreement or expenditures on eligible redevelopment project
9 costs associated with a redevelopment project.

10 (r) Within a redevelopment planning area, transfer or loan
11 tax increment revenues from one redevelopment project area to
12 another redevelopment project area for expenditure on eligible
13 costs in the receiving area.

14 (s) Use tax increment revenue produced in a redevelopment
15 project area created under this Law by transferring or loaning
16 such revenues to a redevelopment project area created under the
17 Tax Increment Allocation Redevelopment Act that is either
18 contiguous to, or separated only by a public right of way from,
19 the redevelopment project area that initially produced and
20 received those revenues. On and after January 1, 2013, revenues
21 used pursuant to this subsection shall be used only for the
22 mutual benefit of the redevelopment project area that the
23 revenues were received from and the redevelopment project area
24 to which the revenues were sent. A redevelopment project area
25 that uses revenues pursuant to this subsection for
26 reimbursement of private developer costs may not transfer

1 revenues to another redevelopment project area before repaying
2 the redevelopment project area from which the revenues were
3 received. Notwithstanding the above, in a municipality with a
4 population of less than 25,000 inhabitants, public works or
5 improvements as defined in paragraph (4) of subsection (q) of
6 Section 11-74.4-3 shall not be subject to this transfer
7 prohibition.

8 (Source: P.A. 97-591, eff. 8-26-11.)

9 (65 ILCS 5/11-74.6-22)

10 Sec. 11-74.6-22. Adoption of ordinance; requirements;
11 changes.

12 (a) Before adoption of an ordinance proposing the
13 designation of a redevelopment planning area or a redevelopment
14 project area, or both, or approving a redevelopment plan or
15 redevelopment project, the municipality or commission
16 designated pursuant to subsection (l) of Section 11-74.6-15
17 shall fix by ordinance or resolution a time and place for
18 public hearing. Prior to the adoption of the ordinance or
19 resolution establishing the time and place for the public
20 hearing, the municipality shall make available for public
21 inspection a redevelopment plan or a report that provides in
22 sufficient detail, the basis for the eligibility of the
23 redevelopment project area. The report along with the name of a
24 person to contact for further information shall be sent to the
25 affected taxing district by certified mail within a reasonable

1 time following the adoption of the ordinance or resolution
2 establishing the time and place for the public hearing.

3 At the public hearing any interested person or affected
4 taxing district may file with the municipal clerk written
5 objections to the ordinance and may be heard orally on any
6 issues that are the subject of the hearing. The municipality
7 shall hear and determine all alternate proposals or bids for
8 any proposed conveyance, lease, mortgage or other disposition
9 of land and all protests and objections at the hearing and the
10 hearing may be adjourned to another date without further notice
11 other than a motion to be entered upon the minutes fixing the
12 time and place of the later hearing. At the public hearing or
13 at any time prior to the adoption by the municipality of an
14 ordinance approving a redevelopment plan, the municipality may
15 make changes in the redevelopment plan. Changes which (1) add
16 additional parcels of property to the proposed redevelopment
17 project area, other than parcels to be removed from a
18 redevelopment project area for the purpose of inclusion in
19 another redevelopment project area, (2) substantially affect
20 the general land uses proposed in the redevelopment plan, or
21 (3) substantially change the nature of or extend the life of
22 the redevelopment project shall be made only after the
23 municipality gives notice, convenes a joint review board, and
24 conducts a public hearing pursuant to the procedures set forth
25 in this Section and in Section 11-74.6-25. Changes which do not
26 (1) add additional parcels of property to the proposed

1 redevelopment project area, other than parcels to be removed
2 from a redevelopment project area for the purpose of inclusion
3 in another redevelopment project area, (2) substantially
4 affect the general land uses proposed in the redevelopment
5 plan, or (3) substantially change the nature of or extend the
6 life of the redevelopment project may be made without further
7 hearing, provided that the municipality shall give notice of
8 any such changes by mail to each affected taxing district and
9 by publication once in a newspaper of general circulation
10 within the affected taxing district. Such notice by mail and by
11 publication shall each occur not later than 10 days following
12 the adoption by ordinance of such changes.

13 (b) Before adoption of an ordinance proposing the
14 designation of a redevelopment planning area or a redevelopment
15 project area, or both, or amending the boundaries of an
16 existing redevelopment project area or redevelopment planning
17 area, or both, the municipality shall convene a joint review
18 board to consider the proposal. The board shall consist of a
19 representative selected by each taxing district that has
20 authority to levy real property taxes on the property within
21 the proposed redevelopment project area and that has at least
22 5% of its total equalized assessed value located within the
23 proposed redevelopment project area, a representative selected
24 by the municipality and a public member. The public member and
25 the board's chairperson shall be selected by a majority of
26 other board members.

1 All board members shall be appointed and the first board
2 meeting held within 14 days following the notice by the
3 municipality to all the taxing districts as required by
4 subsection (c) of Section 11-74.6-25. The notice shall also
5 advise the taxing bodies represented on the joint review board
6 of the time and place of the first meeting of the board.
7 Additional meetings of the board shall be held upon the call of
8 any 2 members. The municipality seeking designation of the
9 redevelopment project area may provide administrative support
10 to the board.

11 The board shall review the public record, planning
12 documents and proposed ordinances approving the redevelopment
13 plan and project to be adopted by the municipality. As part of
14 its deliberations, the board may hold additional hearings on
15 the proposal. A board's recommendation, if any, shall be a
16 written recommendation adopted by a majority vote of the board
17 and submitted to the municipality within 30 days after the
18 board convenes. A board's recommendation shall be binding upon
19 the municipality. Failure of the board to submit its
20 recommendation on a timely basis shall not be cause to delay
21 the public hearing or the process of establishing or amending
22 the redevelopment project area. The board's recommendation on
23 the proposal shall be based upon the area satisfying the
24 applicable eligibility criteria defined in Section 11-74.6-10
25 and whether there is a basis for the municipal findings set
26 forth in the redevelopment plan as required by this Act. If the

1 board does not file a recommendation it shall be presumed that
2 the board has found that the redevelopment project area
3 satisfies the eligibility criteria.

4 (c) After a municipality has by ordinance approved a
5 redevelopment plan and designated a redevelopment planning
6 area or a redevelopment project area, or both, the plan may be
7 amended and additional properties may be added to the
8 redevelopment project area only as herein provided. Amendments
9 which (1) add additional parcels of property to the proposed
10 redevelopment project area, (2) substantially affect the
11 general land uses proposed in the redevelopment plan, (3)
12 substantially change the nature of the redevelopment project,
13 (4) increase the total estimated redevelopment project costs
14 set out in the redevelopment plan by more than 5% after
15 adjustment for inflation from the date the plan was adopted, or
16 (5) add additional redevelopment project costs to the itemized
17 list of redevelopment project costs set out in the
18 redevelopment plan shall be made only after the municipality
19 gives notice, convenes a joint review board, and conducts a
20 public hearing pursuant to the procedures set forth in this
21 Section and in Section 11-74.6-25. Changes which do not (1) add
22 additional parcels of property to the proposed redevelopment
23 project area, (2) substantially affect the general land uses
24 proposed in the redevelopment plan, (3) substantially change
25 the nature of the redevelopment project, (4) increase the total
26 estimated redevelopment project cost set out in the

1 redevelopment plan by more than 5% after adjustment for
2 inflation from the date the plan was adopted, or (5) add
3 additional redevelopment project costs to the itemized list of
4 redevelopment project costs set out in the redevelopment plan
5 may be made without further hearing, provided that the
6 municipality shall give notice of any such changes by mail to
7 each affected taxing district and by publication once in a
8 newspaper of general circulation within the affected taxing
9 district. Such notice by mail and by publication shall each
10 occur not later than 10 days following the adoption by
11 ordinance of such changes.

12 (d) After the effective date of this amendatory Act of the
13 91st General Assembly, a municipality shall submit in an
14 electronic format the following information for each
15 redevelopment project area (i) to the State Comptroller under
16 Section 8-8-3.5 of the Illinois Municipal Code and (ii) to all
17 taxing districts overlapping the redevelopment project area no
18 later than 180 days after the close of each municipal fiscal
19 year or as soon thereafter as the audited financial statements
20 become available and, in any case, shall be submitted before
21 the annual meeting of the joint review board to each of the
22 taxing districts that overlap the redevelopment project area:

23 (1) Any amendments to the redevelopment plan, or the
24 redevelopment project area.

25 (1.5) A list of the redevelopment project areas
26 administered by the municipality and, if applicable, the

1 date each redevelopment project area was designated or
2 terminated by the municipality.

3 (2) Audited financial statements of the special tax
4 allocation fund once a cumulative total of \$100,000 of tax
5 increment revenues has been deposited in the fund.

6 (3) Certification of the Chief Executive Officer of the
7 municipality that the municipality has complied with all of
8 the requirements of this Act during the preceding fiscal
9 year.

10 (4) An opinion of legal counsel that the municipality
11 is in compliance with this Act.

12 (5) An analysis of the special tax allocation fund
13 which sets forth:

14 (A) the balance in the special tax allocation fund
15 at the beginning of the fiscal year;

16 (B) all amounts deposited in the special tax
17 allocation fund by source, including any amounts
18 received from another redevelopment project area;

19 (C) an itemized list of all expenditures from the
20 special tax allocation fund by category of permissible
21 redevelopment project cost, including any amounts
22 transferred to another redevelopment project area; and

23 (D) the balance in the special tax allocation fund
24 at the end of the fiscal year including a breakdown of
25 that balance by source and a breakdown of that balance
26 identifying any portion of the balance that is

1 required, pledged, earmarked, or otherwise designated
2 for payment of or securing of obligations and
3 anticipated redevelopment project costs. Any portion
4 of such ending balance that has not been identified or
5 is not identified as being required, pledged,
6 earmarked, or otherwise designated for payment of or
7 securing of obligations or anticipated redevelopment
8 project costs shall be designated as surplus as set
9 forth in Section 11-74.6-30 hereof. Beginning on
10 January 1, 2013, all accumulated tax incremental
11 revenues that have not been designated for use for a
12 specific development project or other specified
13 anticipated use shall be designated as surplus.
14 Beginning on January 1, 2013, all accumulated tax
15 incremental revenues that have been designated for use
16 for a specific development project or other specified
17 use but that have not been used for that project or use
18 shall be designated as surplus after 10 years.

19 (6) A description of all property purchased by the
20 municipality within the redevelopment project area
21 including:

22 (A) Street address.

23 (B) Approximate size or description of property.

24 (C) Purchase price.

25 (D) Seller of property.

26 (7) A statement setting forth all activities

1 undertaken in furtherance of the objectives of the
2 redevelopment plan, including:

3 (A) Any project implemented in the preceding
4 fiscal year.

5 (B) A description of the redevelopment activities
6 undertaken.

7 (C) A description of any agreements entered into by
8 the municipality with regard to the disposition or
9 redevelopment of any property within the redevelopment
10 project area.

11 (D) Additional information on the use of all funds
12 received under this Division and steps taken by the
13 municipality to achieve the objectives of the
14 redevelopment plan.

15 (E) Information regarding contracts that the
16 municipality's tax increment advisors or consultants
17 have entered into with entities or persons that have
18 received, or are receiving, payments financed by tax
19 increment revenues produced by the same redevelopment
20 project area.

21 (F) Any reports submitted to the municipality by
22 the joint review board.

23 (G) A review of public and, to the extent possible,
24 private investment actually undertaken to date after
25 the effective date of this amendatory Act of the 91st
26 General Assembly and estimated to be undertaken during

1 the following year. This review shall, on a
2 project-by-project basis, set forth the estimated
3 amounts of public and private investment incurred
4 after the effective date of this amendatory Act of the
5 91st General Assembly and provide the ratio of private
6 investment to public investment to the date of the
7 report and as estimated to the completion of the
8 redevelopment project.

9 (8) With regard to any obligations issued by the
10 municipality:

11 (A) copies of any official statements; and

12 (B) an analysis prepared by financial advisor or
13 underwriter setting forth: (i) nature and term of
14 obligation; and (ii) projected debt service including
15 required reserves and debt coverage.

16 (9) For special tax allocation funds that have received
17 cumulative deposits of incremental tax revenues of
18 \$100,000 or more, a certified audit report reviewing
19 compliance with this Act performed by an independent public
20 accountant certified and licensed by the authority of the
21 State of Illinois. The financial portion of the audit must
22 be conducted in accordance with Standards for Audits of
23 Governmental Organizations, Programs, Activities, and
24 Functions adopted by the Comptroller General of the United
25 States (1981), as amended, or the standards specified by
26 Section 8-8-5 of the Illinois Municipal Auditing Law of the

1 Illinois Municipal Code. The audit report shall contain a
2 letter from the independent certified public accountant
3 indicating compliance or noncompliance with the
4 requirements of subsection (o) of Section 11-74.6-10.

5 (10) A list of all intergovernmental agreements
6 relating to the redevelopment project area in effect during
7 the fiscal year to which the municipality is a party and an
8 accounting of any moneys transferred or received by the
9 municipality during that fiscal year pursuant to those
10 intergovernmental agreements.

11 (11) A detailed list of jobs created or retained during
12 the fiscal year, both temporary and permanent, along with a
13 description of whether the jobs are in the public or
14 private sector, to the extent that the information is
15 required to be reported to the municipality pursuant to a
16 redemption agreement or other written agreement.

17 (e) The joint review board shall meet annually 180 days
18 after the close of the municipal fiscal year or as soon as the
19 redevelopment project audit for that fiscal year becomes
20 available to review the effectiveness and status of the
21 redevelopment project area up to that date.

22 (f) On and after January 1, 2013, the State Comptroller
23 must post on the State Comptroller's official website the
24 information submitted by a municipality pursuant to subsection
25 (d) of this Section. The information must be posted no later
26 than 45 days after the State Comptroller receives the

1 information from the municipality. The State Comptroller must
2 also post a list of the municipalities not in compliance with
3 the reporting requirements set forth in subsection (d) of this
4 Section.

5 (g) The State Comptroller may charge a municipality an
6 annual fee for the Comptroller's costs related to the
7 requirements of this Act. The aggregate total of fees charged
8 to any municipality in any year under this subsection shall not
9 exceed \$5,000 for a municipality with a population in excess of
10 2,000,000 inhabitants, \$1,000 for a municipality with a
11 population in excess of 100,000 inhabitants but not more than
12 2,000,000 inhabitants, \$500 for a municipality with a
13 population in excess of 50,000 inhabitants but not more than
14 100,000 inhabitants, and \$250 for a municipality with a
15 population of not more than 50,000 inhabitants. All fees
16 collected under this subsection shall be deposited into the
17 Comptroller's Administrative Fund.

18 (Source: P.A. 97-146, eff. 1-1-12.)

19 Section 20. The School Code is amended by changing Section
20 18-8.05 as follows:

21 (105 ILCS 5/18-8.05)

22 Sec. 18-8.05. Basis for apportionment of general State
23 financial aid and supplemental general State aid to the common
24 schools for the 1998-1999 and subsequent school years.

1 (A) General Provisions.

2 (1) The provisions of this Section apply to the 1998-1999
3 and subsequent school years. The system of general State
4 financial aid provided for in this Section is designed to
5 assure that, through a combination of State financial aid and
6 required local resources, the financial support provided each
7 pupil in Average Daily Attendance equals or exceeds a
8 prescribed per pupil Foundation Level. This formula approach
9 imputes a level of per pupil Available Local Resources and
10 provides for the basis to calculate a per pupil level of
11 general State financial aid that, when added to Available Local
12 Resources, equals or exceeds the Foundation Level. The amount
13 of per pupil general State financial aid for school districts,
14 in general, varies in inverse relation to Available Local
15 Resources. Per pupil amounts are based upon each school
16 district's Average Daily Attendance as that term is defined in
17 this Section.

18 (2) In addition to general State financial aid, school
19 districts with specified levels or concentrations of pupils
20 from low income households are eligible to receive supplemental
21 general State financial aid grants as provided pursuant to
22 subsection (H). The supplemental State aid grants provided for
23 school districts under subsection (H) shall be appropriated for
24 distribution to school districts as part of the same line item
25 in which the general State financial aid of school districts is

1 appropriated under this Section.

2 (3) To receive financial assistance under this Section,
3 school districts are required to file claims with the State
4 Board of Education, subject to the following requirements:

5 (a) Any school district which fails for any given
6 school year to maintain school as required by law, or to
7 maintain a recognized school is not eligible to file for
8 such school year any claim upon the Common School Fund. In
9 case of nonrecognition of one or more attendance centers in
10 a school district otherwise operating recognized schools,
11 the claim of the district shall be reduced in the
12 proportion which the Average Daily Attendance in the
13 attendance center or centers bear to the Average Daily
14 Attendance in the school district. A "recognized school"
15 means any public school which meets the standards as
16 established for recognition by the State Board of
17 Education. A school district or attendance center not
18 having recognition status at the end of a school term is
19 entitled to receive State aid payments due upon a legal
20 claim which was filed while it was recognized.

21 (b) School district claims filed under this Section are
22 subject to Sections 18-9 and 18-12, except as otherwise
23 provided in this Section.

24 (c) If a school district operates a full year school
25 under Section 10-19.1, the general State aid to the school
26 district shall be determined by the State Board of

1 Education in accordance with this Section as near as may be
2 applicable.

3 (d) (Blank).

4 (4) Except as provided in subsections (H) and (L), the
5 board of any district receiving any of the grants provided for
6 in this Section may apply those funds to any fund so received
7 for which that board is authorized to make expenditures by law.

8 School districts are not required to exert a minimum
9 Operating Tax Rate in order to qualify for assistance under
10 this Section.

11 (5) As used in this Section the following terms, when
12 capitalized, shall have the meaning ascribed herein:

13 (a) "Average Daily Attendance": A count of pupil
14 attendance in school, averaged as provided for in
15 subsection (C) and utilized in deriving per pupil financial
16 support levels.

17 (b) "Available Local Resources": A computation of
18 local financial support, calculated on the basis of Average
19 Daily Attendance and derived as provided pursuant to
20 subsection (D).

21 (c) "Corporate Personal Property Replacement Taxes":
22 Funds paid to local school districts pursuant to "An Act in
23 relation to the abolition of ad valorem personal property
24 tax and the replacement of revenues lost thereby, and
25 amending and repealing certain Acts and parts of Acts in
26 connection therewith", certified August 14, 1979, as

1 amended (Public Act 81-1st S.S.-1).

2 (d) "Foundation Level": A prescribed level of per pupil
3 financial support as provided for in subsection (B).

4 (e) "Operating Tax Rate": All school district property
5 taxes extended for all purposes, except Bond and Interest,
6 Summer School, Rent, Capital Improvement, and Vocational
7 Education Building purposes.

8 (B) Foundation Level.

9 (1) The Foundation Level is a figure established by the
10 State representing the minimum level of per pupil financial
11 support that should be available to provide for the basic
12 education of each pupil in Average Daily Attendance. As set
13 forth in this Section, each school district is assumed to exert
14 a sufficient local taxing effort such that, in combination with
15 the aggregate of general State financial aid provided the
16 district, an aggregate of State and local resources are
17 available to meet the basic education needs of pupils in the
18 district.

19 (2) For the 1998-1999 school year, the Foundation Level of
20 support is \$4,225. For the 1999-2000 school year, the
21 Foundation Level of support is \$4,325. For the 2000-2001 school
22 year, the Foundation Level of support is \$4,425. For the
23 2001-2002 school year and 2002-2003 school year, the Foundation
24 Level of support is \$4,560. For the 2003-2004 school year, the
25 Foundation Level of support is \$4,810. For the 2004-2005 school

1 year, the Foundation Level of support is \$4,964. For the
2 2005-2006 school year, the Foundation Level of support is
3 \$5,164. For the 2006-2007 school year, the Foundation Level of
4 support is \$5,334. For the 2007-2008 school year, the
5 Foundation Level of support is \$5,734. For the 2008-2009 school
6 year, the Foundation Level of support is \$5,959.

7 (3) For the 2009-2010 school year and each school year
8 thereafter, the Foundation Level of support is \$6,119 or such
9 greater amount as may be established by law by the General
10 Assembly.

11 (C) Average Daily Attendance.

12 (1) For purposes of calculating general State aid pursuant
13 to subsection (E), an Average Daily Attendance figure shall be
14 utilized. The Average Daily Attendance figure for formula
15 calculation purposes shall be the monthly average of the actual
16 number of pupils in attendance of each school district, as
17 further averaged for the best 3 months of pupil attendance for
18 each school district. In compiling the figures for the number
19 of pupils in attendance, school districts and the State Board
20 of Education shall, for purposes of general State aid funding,
21 conform attendance figures to the requirements of subsection
22 (F).

23 (2) The Average Daily Attendance figures utilized in
24 subsection (E) shall be the requisite attendance data for the
25 school year immediately preceding the school year for which

1 general State aid is being calculated or the average of the
2 attendance data for the 3 preceding school years, whichever is
3 greater. The Average Daily Attendance figures utilized in
4 subsection (H) shall be the requisite attendance data for the
5 school year immediately preceding the school year for which
6 general State aid is being calculated.

7 (D) Available Local Resources.

8 (1) For purposes of calculating general State aid pursuant
9 to subsection (E), a representation of Available Local
10 Resources per pupil, as that term is defined and determined in
11 this subsection, shall be utilized. Available Local Resources
12 per pupil shall include a calculated dollar amount representing
13 local school district revenues from local property taxes and
14 from Corporate Personal Property Replacement Taxes, expressed
15 on the basis of pupils in Average Daily Attendance. Calculation
16 of Available Local Resources shall exclude any tax amnesty
17 funds received as a result of Public Act 93-26.

18 (2) In determining a school district's revenue from local
19 property taxes, the State Board of Education shall utilize the
20 equalized assessed valuation of all taxable property of each
21 school district as of September 30 of the previous year. The
22 equalized assessed valuation utilized shall be obtained and
23 determined as provided in subsection (G).

24 (3) For school districts maintaining grades kindergarten
25 through 12, local property tax revenues per pupil shall be

1 calculated as (i) the product of the applicable equalized
2 assessed valuation for the district multiplied by 3.00% plus
3 (ii) any surplus received by the school district in the
4 previous year from a special tax allocation fund, as provided
5 by the Tax Increment Allocation Redevelopment Act or the
6 Industrial Jobs Recovery Law, and divided by the district's
7 Average Daily Attendance figure. For school districts
8 maintaining grades kindergarten through 8, local property tax
9 revenues per pupil shall be calculated as (i) the product of
10 the applicable equalized assessed valuation for the district
11 multiplied by 2.30% plus (ii) any surplus received by the
12 school district in the previous year from a special tax
13 allocation fund, as provided by the Tax Increment Allocation
14 Redevelopment Act or the Industrial Jobs Recovery Law, and
15 divided by the district's Average Daily Attendance figure. For
16 school districts maintaining grades 9 through 12, local
17 property tax revenues per pupil shall be (i) the applicable
18 equalized assessed valuation of the district multiplied by
19 1.05% plus (ii) any surplus received by the school district in
20 the previous year from a special tax allocation fund, as
21 provided by the Tax Increment Allocation Redevelopment Act or
22 the Industrial Jobs Recovery Law, and divided by the district's
23 Average Daily Attendance figure.

24 For partial elementary unit districts created pursuant to
25 Article 11E of this Code, local property tax revenues per pupil
26 shall be calculated as (i) the product of the equalized

1 assessed valuation for property within the partial elementary
2 unit district for elementary purposes, as defined in Article
3 11E of this Code, multiplied by 2.06% plus (ii) any surplus
4 received by the school district in the previous year from a
5 special tax allocation fund, as provided by the Tax Increment
6 Allocation Redevelopment Act or the Industrial Jobs Recovery
7 Law and divided by the district's Average Daily Attendance
8 figure, plus (i) the product of the equalized assessed
9 valuation for property within the partial elementary unit
10 district for high school purposes, as defined in Article 11E of
11 this Code, multiplied by 0.94% plus (ii) any surplus received
12 by the school district in the previous year from a special tax
13 allocation fund, as provided by the Tax Increment Allocation
14 Redevelopment Act or the Industrial Jobs Recovery Law and
15 divided by the district's Average Daily Attendance figure.

16 (4) The Corporate Personal Property Replacement Taxes paid
17 to each school district during the calendar year one year
18 before the calendar year in which a school year begins, divided
19 by the Average Daily Attendance figure for that district, shall
20 be added to the local property tax revenues per pupil as
21 derived by the application of the immediately preceding
22 paragraph (3). The sum of these per pupil figures for each
23 school district shall constitute Available Local Resources as
24 that term is utilized in subsection (E) in the calculation of
25 general State aid.

1 (E) Computation of General State Aid.

2 (1) For each school year, the amount of general State aid
3 allotted to a school district shall be computed by the State
4 Board of Education as provided in this subsection.

5 (2) For any school district for which Available Local
6 Resources per pupil is less than the product of 0.93 times the
7 Foundation Level, general State aid for that district shall be
8 calculated as an amount equal to the Foundation Level minus
9 Available Local Resources, multiplied by the Average Daily
10 Attendance of the school district.

11 (3) For any school district for which Available Local
12 Resources per pupil is equal to or greater than the product of
13 0.93 times the Foundation Level and less than the product of
14 1.75 times the Foundation Level, the general State aid per
15 pupil shall be a decimal proportion of the Foundation Level
16 derived using a linear algorithm. Under this linear algorithm,
17 the calculated general State aid per pupil shall decline in
18 direct linear fashion from 0.07 times the Foundation Level for
19 a school district with Available Local Resources equal to the
20 product of 0.93 times the Foundation Level, to 0.05 times the
21 Foundation Level for a school district with Available Local
22 Resources equal to the product of 1.75 times the Foundation
23 Level. The allocation of general State aid for school districts
24 subject to this paragraph 3 shall be the calculated general
25 State aid per pupil figure multiplied by the Average Daily
26 Attendance of the school district.

1 (4) For any school district for which Available Local
2 Resources per pupil equals or exceeds the product of 1.75 times
3 the Foundation Level, the general State aid for the school
4 district shall be calculated as the product of \$218 multiplied
5 by the Average Daily Attendance of the school district.

6 (5) The amount of general State aid allocated to a school
7 district for the 1999-2000 school year meeting the requirements
8 set forth in paragraph (4) of subsection (G) shall be increased
9 by an amount equal to the general State aid that would have
10 been received by the district for the 1998-1999 school year by
11 utilizing the Extension Limitation Equalized Assessed
12 Valuation as calculated in paragraph (4) of subsection (G) less
13 the general State aid allotted for the 1998-1999 school year.
14 This amount shall be deemed a one time increase, and shall not
15 affect any future general State aid allocations.

16 (F) Compilation of Average Daily Attendance.

17 (1) Each school district shall, by July 1 of each year,
18 submit to the State Board of Education, on forms prescribed by
19 the State Board of Education, attendance figures for the school
20 year that began in the preceding calendar year. The attendance
21 information so transmitted shall identify the average daily
22 attendance figures for each month of the school year. Beginning
23 with the general State aid claim form for the 2002-2003 school
24 year, districts shall calculate Average Daily Attendance as
25 provided in subdivisions (a), (b), and (c) of this paragraph

1 (1).

2 (a) In districts that do not hold year-round classes,
3 days of attendance in August shall be added to the month of
4 September and any days of attendance in June shall be added
5 to the month of May.

6 (b) In districts in which all buildings hold year-round
7 classes, days of attendance in July and August shall be
8 added to the month of September and any days of attendance
9 in June shall be added to the month of May.

10 (c) In districts in which some buildings, but not all,
11 hold year-round classes, for the non-year-round buildings,
12 days of attendance in August shall be added to the month of
13 September and any days of attendance in June shall be added
14 to the month of May. The average daily attendance for the
15 year-round buildings shall be computed as provided in
16 subdivision (b) of this paragraph (1). To calculate the
17 Average Daily Attendance for the district, the average
18 daily attendance for the year-round buildings shall be
19 multiplied by the days in session for the non-year-round
20 buildings for each month and added to the monthly
21 attendance of the non-year-round buildings.

22 Except as otherwise provided in this Section, days of
23 attendance by pupils shall be counted only for sessions of not
24 less than 5 clock hours of school work per day under direct
25 supervision of: (i) teachers, or (ii) non-teaching personnel or
26 volunteer personnel when engaging in non-teaching duties and

1 supervising in those instances specified in subsection (a) of
2 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
3 of legal school age and in kindergarten and grades 1 through
4 12.

5 Days of attendance by tuition pupils shall be accredited
6 only to the districts that pay the tuition to a recognized
7 school.

8 (2) Days of attendance by pupils of less than 5 clock hours
9 of school shall be subject to the following provisions in the
10 compilation of Average Daily Attendance.

11 (a) Pupils regularly enrolled in a public school for
12 only a part of the school day may be counted on the basis
13 of 1/6 day for every class hour of instruction of 40
14 minutes or more attended pursuant to such enrollment,
15 unless a pupil is enrolled in a block-schedule format of 80
16 minutes or more of instruction, in which case the pupil may
17 be counted on the basis of the proportion of minutes of
18 school work completed each day to the minimum number of
19 minutes that school work is required to be held that day.

20 (b) Days of attendance may be less than 5 clock hours
21 on the opening and closing of the school term, and upon the
22 first day of pupil attendance, if preceded by a day or days
23 utilized as an institute or teachers' workshop.

24 (c) A session of 4 or more clock hours may be counted
25 as a day of attendance upon certification by the regional
26 superintendent, and approved by the State Superintendent

1 of Education to the extent that the district has been
2 forced to use daily multiple sessions.

3 (d) A session of 3 or more clock hours may be counted
4 as a day of attendance (1) when the remainder of the school
5 day or at least 2 hours in the evening of that day is
6 utilized for an in-service training program for teachers,
7 up to a maximum of 5 days per school year, provided a
8 district conducts an in-service training program for
9 teachers in accordance with Section 10-22.39 of this Code;
10 or, in lieu of 4 such days, 2 full days may be used, in
11 which event each such day may be counted as a day required
12 for a legal school calendar pursuant to Section 10-19 of
13 this Code; (1.5) when, of the 5 days allowed under item
14 (1), a maximum of 4 days are used for parent-teacher
15 conferences, or, in lieu of 4 such days, 2 full days are
16 used, in which case each such day may be counted as a
17 calendar day required under Section 10-19 of this Code,
18 provided that the full-day, parent-teacher conference
19 consists of (i) a minimum of 5 clock hours of
20 parent-teacher conferences, (ii) both a minimum of 2 clock
21 hours of parent-teacher conferences held in the evening
22 following a full day of student attendance, as specified in
23 subsection (F)(1)(c), and a minimum of 3 clock hours of
24 parent-teacher conferences held on the day immediately
25 following evening parent-teacher conferences, or (iii)
26 multiple parent-teacher conferences held in the evenings

1 following full days of student attendance, as specified in
2 subsection (F)(1)(c), in which the time used for the
3 parent-teacher conferences is equivalent to a minimum of 5
4 clock hours; and (2) when days in addition to those
5 provided in items (1) and (1.5) are scheduled by a school
6 pursuant to its school improvement plan adopted under
7 Article 34 or its revised or amended school improvement
8 plan adopted under Article 2, provided that (i) such
9 sessions of 3 or more clock hours are scheduled to occur at
10 regular intervals, (ii) the remainder of the school days in
11 which such sessions occur are utilized for in-service
12 training programs or other staff development activities
13 for teachers, and (iii) a sufficient number of minutes of
14 school work under the direct supervision of teachers are
15 added to the school days between such regularly scheduled
16 sessions to accumulate not less than the number of minutes
17 by which such sessions of 3 or more clock hours fall short
18 of 5 clock hours. Any full days used for the purposes of
19 this paragraph shall not be considered for computing
20 average daily attendance. Days scheduled for in-service
21 training programs, staff development activities, or
22 parent-teacher conferences may be scheduled separately for
23 different grade levels and different attendance centers of
24 the district.

25 (e) A session of not less than one clock hour of
26 teaching hospitalized or homebound pupils on-site or by

1 telephone to the classroom may be counted as 1/2 day of
2 attendance, however these pupils must receive 4 or more
3 clock hours of instruction to be counted for a full day of
4 attendance.

5 (f) A session of at least 4 clock hours may be counted
6 as a day of attendance for first grade pupils, and pupils
7 in full day kindergartens, and a session of 2 or more hours
8 may be counted as 1/2 day of attendance by pupils in
9 kindergartens which provide only 1/2 day of attendance.

10 (g) For children with disabilities who are below the
11 age of 6 years and who cannot attend 2 or more clock hours
12 because of their disability or immaturity, a session of not
13 less than one clock hour may be counted as 1/2 day of
14 attendance; however for such children whose educational
15 needs so require a session of 4 or more clock hours may be
16 counted as a full day of attendance.

17 (h) A recognized kindergarten which provides for only
18 1/2 day of attendance by each pupil shall not have more
19 than 1/2 day of attendance counted in any one day. However,
20 kindergartens may count 2 1/2 days of attendance in any 5
21 consecutive school days. When a pupil attends such a
22 kindergarten for 2 half days on any one school day, the
23 pupil shall have the following day as a day absent from
24 school, unless the school district obtains permission in
25 writing from the State Superintendent of Education.
26 Attendance at kindergartens which provide for a full day of

1 attendance by each pupil shall be counted the same as
2 attendance by first grade pupils. Only the first year of
3 attendance in one kindergarten shall be counted, except in
4 case of children who entered the kindergarten in their
5 fifth year whose educational development requires a second
6 year of kindergarten as determined under the rules and
7 regulations of the State Board of Education.

8 (i) On the days when the Prairie State Achievement
9 Examination is administered under subsection (c) of
10 Section 2-3.64 of this Code, the day of attendance for a
11 pupil whose school day must be shortened to accommodate
12 required testing procedures may be less than 5 clock hours
13 and shall be counted towards the 176 days of actual pupil
14 attendance required under Section 10-19 of this Code,
15 provided that a sufficient number of minutes of school work
16 in excess of 5 clock hours are first completed on other
17 school days to compensate for the loss of school work on
18 the examination days.

19 (j) Pupils enrolled in a remote educational program
20 established under Section 10-29 of this Code may be counted
21 on the basis of one-fifth day of attendance for every clock
22 hour of instruction attended in the remote educational
23 program, provided that, in any month, the school district
24 may not claim for a student enrolled in a remote
25 educational program more days of attendance than the
26 maximum number of days of attendance the district can claim

1 (i) for students enrolled in a building holding year-round
2 classes if the student is classified as participating in
3 the remote educational program on a year-round schedule or
4 (ii) for students enrolled in a building not holding
5 year-round classes if the student is not classified as
6 participating in the remote educational program on a
7 year-round schedule.

8 (G) Equalized Assessed Valuation Data.

9 (1) For purposes of the calculation of Available Local
10 Resources required pursuant to subsection (D), the State Board
11 of Education shall secure from the Department of Revenue the
12 value as equalized or assessed by the Department of Revenue of
13 all taxable property of every school district, together with
14 (i) the applicable tax rate used in extending taxes for the
15 funds of the district as of September 30 of the previous year
16 and (ii) the limiting rate for all school districts subject to
17 property tax extension limitations as imposed under the
18 Property Tax Extension Limitation Law.

19 The Department of Revenue shall add to the equalized
20 assessed value of all taxable property of each school district
21 situated entirely or partially within a county that is or was
22 subject to the provisions of Section 15-176 or 15-177 of the
23 Property Tax Code (a) an amount equal to the total amount by
24 which the homestead exemption allowed under Section 15-176 or
25 15-177 of the Property Tax Code for real property situated in

1 that school district exceeds the total amount that would have
2 been allowed in that school district if the maximum reduction
3 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
4 all other counties in tax year 2003 or (ii) \$5,000 in all
5 counties in tax year 2004 and thereafter and (b) an amount
6 equal to the aggregate amount for the taxable year of all
7 additional exemptions under Section 15-175 of the Property Tax
8 Code for owners with a household income of \$30,000 or less. The
9 county clerk of any county that is or was subject to the
10 provisions of Section 15-176 or 15-177 of the Property Tax Code
11 shall annually calculate and certify to the Department of
12 Revenue for each school district all homestead exemption
13 amounts under Section 15-176 or 15-177 of the Property Tax Code
14 and all amounts of additional exemptions under Section 15-175
15 of the Property Tax Code for owners with a household income of
16 \$30,000 or less. It is the intent of this paragraph that if the
17 general homestead exemption for a parcel of property is
18 determined under Section 15-176 or 15-177 of the Property Tax
19 Code rather than Section 15-175, then the calculation of
20 Available Local Resources shall not be affected by the
21 difference, if any, between the amount of the general homestead
22 exemption allowed for that parcel of property under Section
23 15-176 or 15-177 of the Property Tax Code and the amount that
24 would have been allowed had the general homestead exemption for
25 that parcel of property been determined under Section 15-175 of
26 the Property Tax Code. It is further the intent of this

1 paragraph that if additional exemptions are allowed under
2 Section 15-175 of the Property Tax Code for owners with a
3 household income of less than \$30,000, then the calculation of
4 Available Local Resources shall not be affected by the
5 difference, if any, because of those additional exemptions.

6 This equalized assessed valuation, as adjusted further by
7 the requirements of this subsection, shall be utilized in the
8 calculation of Available Local Resources.

9 (2) The equalized assessed valuation in paragraph (1) shall
10 be adjusted, as applicable, in the following manner:

11 (a) For the purposes of calculating State aid under
12 this Section, with respect to any part of a school district
13 within a redevelopment project area in respect to which a
14 municipality has adopted tax increment allocation
15 financing pursuant to the Tax Increment Allocation
16 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
17 of the Illinois Municipal Code or the Industrial Jobs
18 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
19 Illinois Municipal Code, no part of the current equalized
20 assessed valuation of real property located in any such
21 project area which is attributable to an increase above the
22 total initial equalized assessed valuation of such
23 property shall be used as part of the equalized assessed
24 valuation of the district, until such time as all
25 redevelopment project costs have been paid, as provided in
26 Section 11-74.4-8 of the Tax Increment Allocation

1 Redevelopment Act or in Section 11-74.6-35 of the
2 Industrial Jobs Recovery Law. For the purpose of the
3 equalized assessed valuation of the district, the total
4 initial equalized assessed valuation or the current
5 equalized assessed valuation, whichever is lower, shall be
6 used until such time as all redevelopment project costs
7 have been paid.

8 (b) The real property equalized assessed valuation for
9 a school district shall be adjusted by subtracting from the
10 real property value as equalized or assessed by the
11 Department of Revenue for the district an amount computed
12 by dividing the amount of any abatement of taxes under
13 Section 18-170 of the Property Tax Code by 3.00% for a
14 district maintaining grades kindergarten through 12, by
15 2.30% for a district maintaining grades kindergarten
16 through 8, or by 1.05% for a district maintaining grades 9
17 through 12 and adjusted by an amount computed by dividing
18 the amount of any abatement of taxes under subsection (a)
19 of Section 18-165 of the Property Tax Code by the same
20 percentage rates for district type as specified in this
21 subparagraph (b).

22 (3) For the 1999-2000 school year and each school year
23 thereafter, if a school district meets all of the criteria of
24 this subsection (G) (3), the school district's Available Local
25 Resources shall be calculated under subsection (D) using the
26 district's Extension Limitation Equalized Assessed Valuation

1 as calculated under this subsection (G) (3).

2 For purposes of this subsection (G) (3) the following terms
3 shall have the following meanings:

4 "Budget Year": The school year for which general State
5 aid is calculated and awarded under subsection (E).

6 "Base Tax Year": The property tax levy year used to
7 calculate the Budget Year allocation of general State aid.

8 "Preceding Tax Year": The property tax levy year
9 immediately preceding the Base Tax Year.

10 "Base Tax Year's Tax Extension": The product of the
11 equalized assessed valuation utilized by the County Clerk
12 in the Base Tax Year multiplied by the limiting rate as
13 calculated by the County Clerk and defined in the Property
14 Tax Extension Limitation Law.

15 "Preceding Tax Year's Tax Extension": The product of
16 the equalized assessed valuation utilized by the County
17 Clerk in the Preceding Tax Year multiplied by the Operating
18 Tax Rate as defined in subsection (A).

19 "Extension Limitation Ratio": A numerical ratio,
20 certified by the County Clerk, in which the numerator is
21 the Base Tax Year's Tax Extension and the denominator is
22 the Preceding Tax Year's Tax Extension.

23 "Operating Tax Rate": The operating tax rate as defined
24 in subsection (A).

25 If a school district is subject to property tax extension
26 limitations as imposed under the Property Tax Extension

1 Limitation Law, the State Board of Education shall calculate
2 the Extension Limitation Equalized Assessed Valuation of that
3 district. For the 1999-2000 school year, the Extension
4 Limitation Equalized Assessed Valuation of a school district as
5 calculated by the State Board of Education shall be equal to
6 the product of the district's 1996 Equalized Assessed Valuation
7 and the district's Extension Limitation Ratio. Except as
8 otherwise provided in this paragraph for a school district that
9 has approved or does approve an increase in its limiting rate,
10 for the 2000-2001 school year and each school year thereafter,
11 the Extension Limitation Equalized Assessed Valuation of a
12 school district as calculated by the State Board of Education
13 shall be equal to the product of the Equalized Assessed
14 Valuation last used in the calculation of general State aid and
15 the district's Extension Limitation Ratio. If the Extension
16 Limitation Equalized Assessed Valuation of a school district as
17 calculated under this subsection (G)(3) is less than the
18 district's equalized assessed valuation as calculated pursuant
19 to subsections (G)(1) and (G)(2), then for purposes of
20 calculating the district's general State aid for the Budget
21 Year pursuant to subsection (E), that Extension Limitation
22 Equalized Assessed Valuation shall be utilized to calculate the
23 district's Available Local Resources under subsection (D). For
24 the 2009-2010 school year and each school year thereafter, if a
25 school district has approved or does approve an increase in its
26 limiting rate, pursuant to Section 18-190 of the Property Tax

1 Code, affecting the Base Tax Year, the Extension Limitation
2 Equalized Assessed Valuation of the school district, as
3 calculated by the State Board of Education, shall be equal to
4 the product of the Equalized Assessed Valuation last used in
5 the calculation of general State aid times an amount equal to
6 one plus the percentage increase, if any, in the Consumer Price
7 Index for all Urban Consumers for all items published by the
8 United States Department of Labor for the 12-month calendar
9 year preceding the Base Tax Year, plus the Equalized Assessed
10 Valuation of new property, annexed property, and recovered tax
11 increment value and minus the Equalized Assessed Valuation of
12 disconnected property. New property and recovered tax
13 increment value shall have the meanings set forth in the
14 Property Tax Extension Limitation Law.

15 Partial elementary unit districts created in accordance
16 with Article 11E of this Code shall not be eligible for the
17 adjustment in this subsection (G)(3) until the fifth year
18 following the effective date of the reorganization.

19 (3.5) For the 2010-2011 school year and each school year
20 thereafter, if a school district's boundaries span multiple
21 counties, then the Department of Revenue shall send to the
22 State Board of Education, for the purpose of calculating
23 general State aid, the limiting rate and individual rates by
24 purpose for the county that contains the majority of the school
25 district's Equalized Assessed Valuation.

26 (4) For the purposes of calculating general State aid for

1 the 1999-2000 school year only, if a school district
2 experienced a triennial reassessment on the equalized assessed
3 valuation used in calculating its general State financial aid
4 apportionment for the 1998-1999 school year, the State Board of
5 Education shall calculate the Extension Limitation Equalized
6 Assessed Valuation that would have been used to calculate the
7 district's 1998-1999 general State aid. This amount shall equal
8 the product of the equalized assessed valuation used to
9 calculate general State aid for the 1997-1998 school year and
10 the district's Extension Limitation Ratio. If the Extension
11 Limitation Equalized Assessed Valuation of the school district
12 as calculated under this paragraph (4) is less than the
13 district's equalized assessed valuation utilized in
14 calculating the district's 1998-1999 general State aid
15 allocation, then for purposes of calculating the district's
16 general State aid pursuant to paragraph (5) of subsection (E),
17 that Extension Limitation Equalized Assessed Valuation shall
18 be utilized to calculate the district's Available Local
19 Resources.

20 (5) For school districts having a majority of their
21 equalized assessed valuation in any county except Cook, DuPage,
22 Kane, Lake, McHenry, or Will, if the amount of general State
23 aid allocated to the school district for the 1999-2000 school
24 year under the provisions of subsection (E), (H), and (J) of
25 this Section is less than the amount of general State aid
26 allocated to the district for the 1998-1999 school year under

1 these subsections, then the general State aid of the district
2 for the 1999-2000 school year only shall be increased by the
3 difference between these amounts. The total payments made under
4 this paragraph (5) shall not exceed \$14,000,000. Claims shall
5 be prorated if they exceed \$14,000,000.

6 (H) Supplemental General State Aid.

7 (1) In addition to the general State aid a school district
8 is allotted pursuant to subsection (E), qualifying school
9 districts shall receive a grant, paid in conjunction with a
10 district's payments of general State aid, for supplemental
11 general State aid based upon the concentration level of
12 children from low-income households within the school
13 district. Supplemental State aid grants provided for school
14 districts under this subsection shall be appropriated for
15 distribution to school districts as part of the same line item
16 in which the general State financial aid of school districts is
17 appropriated under this Section.

18 (1.5) This paragraph (1.5) applies only to those school
19 years preceding the 2003-2004 school year. For purposes of this
20 subsection (H), the term "Low-Income Concentration Level"
21 shall be the low-income eligible pupil count from the most
22 recently available federal census divided by the Average Daily
23 Attendance of the school district. If, however, (i) the
24 percentage decrease from the 2 most recent federal censuses in
25 the low-income eligible pupil count of a high school district

1 with fewer than 400 students exceeds by 75% or more the
2 percentage change in the total low-income eligible pupil count
3 of contiguous elementary school districts, whose boundaries
4 are coterminous with the high school district, or (ii) a high
5 school district within 2 counties and serving 5 elementary
6 school districts, whose boundaries are coterminous with the
7 high school district, has a percentage decrease from the 2 most
8 recent federal censuses in the low-income eligible pupil count
9 and there is a percentage increase in the total low-income
10 eligible pupil count of a majority of the elementary school
11 districts in excess of 50% from the 2 most recent federal
12 censuses, then the high school district's low-income eligible
13 pupil count from the earlier federal census shall be the number
14 used as the low-income eligible pupil count for the high school
15 district, for purposes of this subsection (H). The changes made
16 to this paragraph (1) by Public Act 92-28 shall apply to
17 supplemental general State aid grants for school years
18 preceding the 2003-2004 school year that are paid in fiscal
19 year 1999 or thereafter and to any State aid payments made in
20 fiscal year 1994 through fiscal year 1998 pursuant to
21 subsection 1(n) of Section 18-8 of this Code (which was
22 repealed on July 1, 1998), and any high school district that is
23 affected by Public Act 92-28 is entitled to a recomputation of
24 its supplemental general State aid grant or State aid paid in
25 any of those fiscal years. This recomputation shall not be
26 affected by any other funding.

1 (1.10) This paragraph (1.10) applies to the 2003-2004
2 school year and each school year thereafter. For purposes of
3 this subsection (H), the term "Low-Income Concentration Level"
4 shall, for each fiscal year, be the low-income eligible pupil
5 count as of July 1 of the immediately preceding fiscal year (as
6 determined by the Department of Human Services based on the
7 number of pupils who are eligible for at least one of the
8 following low income programs: Medicaid, the Children's Health
9 Insurance Program, TANF, or Food Stamps, excluding pupils who
10 are eligible for services provided by the Department of
11 Children and Family Services, averaged over the 2 immediately
12 preceding fiscal years for fiscal year 2004 and over the 3
13 immediately preceding fiscal years for each fiscal year
14 thereafter) divided by the Average Daily Attendance of the
15 school district.

16 (2) Supplemental general State aid pursuant to this
17 subsection (H) shall be provided as follows for the 1998-1999,
18 1999-2000, and 2000-2001 school years only:

19 (a) For any school district with a Low Income
20 Concentration Level of at least 20% and less than 35%, the
21 grant for any school year shall be \$800 multiplied by the
22 low income eligible pupil count.

23 (b) For any school district with a Low Income
24 Concentration Level of at least 35% and less than 50%, the
25 grant for the 1998-1999 school year shall be \$1,100
26 multiplied by the low income eligible pupil count.

1 (c) For any school district with a Low Income
2 Concentration Level of at least 50% and less than 60%, the
3 grant for the 1998-99 school year shall be \$1,500
4 multiplied by the low income eligible pupil count.

5 (d) For any school district with a Low Income
6 Concentration Level of 60% or more, the grant for the
7 1998-99 school year shall be \$1,900 multiplied by the low
8 income eligible pupil count.

9 (e) For the 1999-2000 school year, the per pupil amount
10 specified in subparagraphs (b), (c), and (d) immediately
11 above shall be increased to \$1,243, \$1,600, and \$2,000,
12 respectively.

13 (f) For the 2000-2001 school year, the per pupil
14 amounts specified in subparagraphs (b), (c), and (d)
15 immediately above shall be \$1,273, \$1,640, and \$2,050,
16 respectively.

17 (2.5) Supplemental general State aid pursuant to this
18 subsection (H) shall be provided as follows for the 2002-2003
19 school year:

20 (a) For any school district with a Low Income
21 Concentration Level of less than 10%, the grant for each
22 school year shall be \$355 multiplied by the low income
23 eligible pupil count.

24 (b) For any school district with a Low Income
25 Concentration Level of at least 10% and less than 20%, the
26 grant for each school year shall be \$675 multiplied by the

1 low income eligible pupil count.

2 (c) For any school district with a Low Income
3 Concentration Level of at least 20% and less than 35%, the
4 grant for each school year shall be \$1,330 multiplied by
5 the low income eligible pupil count.

6 (d) For any school district with a Low Income
7 Concentration Level of at least 35% and less than 50%, the
8 grant for each school year shall be \$1,362 multiplied by
9 the low income eligible pupil count.

10 (e) For any school district with a Low Income
11 Concentration Level of at least 50% and less than 60%, the
12 grant for each school year shall be \$1,680 multiplied by
13 the low income eligible pupil count.

14 (f) For any school district with a Low Income
15 Concentration Level of 60% or more, the grant for each
16 school year shall be \$2,080 multiplied by the low income
17 eligible pupil count.

18 (2.10) Except as otherwise provided, supplemental general
19 State aid pursuant to this subsection (H) shall be provided as
20 follows for the 2003-2004 school year and each school year
21 thereafter:

22 (a) For any school district with a Low Income
23 Concentration Level of 15% or less, the grant for each
24 school year shall be \$355 multiplied by the low income
25 eligible pupil count.

26 (b) For any school district with a Low Income

1 Concentration Level greater than 15%, the grant for each
2 school year shall be \$294.25 added to the product of \$2,700
3 and the square of the Low Income Concentration Level, all
4 multiplied by the low income eligible pupil count.

5 For the 2003-2004 school year and each school year
6 thereafter through the 2008-2009 school year only, the grant
7 shall be no less than the grant for the 2002-2003 school year.
8 For the 2009-2010 school year only, the grant shall be no less
9 than the grant for the 2002-2003 school year multiplied by
10 0.66. For the 2010-2011 school year only, the grant shall be no
11 less than the grant for the 2002-2003 school year multiplied by
12 0.33. Notwithstanding the provisions of this paragraph to the
13 contrary, if for any school year supplemental general State aid
14 grants are prorated as provided in paragraph (1) of this
15 subsection (H), then the grants under this paragraph shall be
16 prorated.

17 For the 2003-2004 school year only, the grant shall be no
18 greater than the grant received during the 2002-2003 school
19 year added to the product of 0.25 multiplied by the difference
20 between the grant amount calculated under subsection (a) or (b)
21 of this paragraph (2.10), whichever is applicable, and the
22 grant received during the 2002-2003 school year. For the
23 2004-2005 school year only, the grant shall be no greater than
24 the grant received during the 2002-2003 school year added to
25 the product of 0.50 multiplied by the difference between the
26 grant amount calculated under subsection (a) or (b) of this

1 paragraph (2.10), whichever is applicable, and the grant
2 received during the 2002-2003 school year. For the 2005-2006
3 school year only, the grant shall be no greater than the grant
4 received during the 2002-2003 school year added to the product
5 of 0.75 multiplied by the difference between the grant amount
6 calculated under subsection (a) or (b) of this paragraph
7 (2.10), whichever is applicable, and the grant received during
8 the 2002-2003 school year.

9 (3) School districts with an Average Daily Attendance of
10 more than 1,000 and less than 50,000 that qualify for
11 supplemental general State aid pursuant to this subsection
12 shall submit a plan to the State Board of Education prior to
13 October 30 of each year for the use of the funds resulting from
14 this grant of supplemental general State aid for the
15 improvement of instruction in which priority is given to
16 meeting the education needs of disadvantaged children. Such
17 plan shall be submitted in accordance with rules and
18 regulations promulgated by the State Board of Education.

19 (4) School districts with an Average Daily Attendance of
20 50,000 or more that qualify for supplemental general State aid
21 pursuant to this subsection shall be required to distribute
22 from funds available pursuant to this Section, no less than
23 \$261,000,000 in accordance with the following requirements:

24 (a) The required amounts shall be distributed to the
25 attendance centers within the district in proportion to the
26 number of pupils enrolled at each attendance center who are

1 eligible to receive free or reduced-price lunches or
2 breakfasts under the federal Child Nutrition Act of 1966
3 and under the National School Lunch Act during the
4 immediately preceding school year.

5 (b) The distribution of these portions of supplemental
6 and general State aid among attendance centers according to
7 these requirements shall not be compensated for or
8 contravened by adjustments of the total of other funds
9 appropriated to any attendance centers, and the Board of
10 Education shall utilize funding from one or several sources
11 in order to fully implement this provision annually prior
12 to the opening of school.

13 (c) Each attendance center shall be provided by the
14 school district a distribution of noncategorical funds and
15 other categorical funds to which an attendance center is
16 entitled under law in order that the general State aid and
17 supplemental general State aid provided by application of
18 this subsection supplements rather than supplants the
19 noncategorical funds and other categorical funds provided
20 by the school district to the attendance centers.

21 (d) Any funds made available under this subsection that
22 by reason of the provisions of this subsection are not
23 required to be allocated and provided to attendance centers
24 may be used and appropriated by the board of the district
25 for any lawful school purpose.

26 (e) Funds received by an attendance center pursuant to

1 this subsection shall be used by the attendance center at
2 the discretion of the principal and local school council
3 for programs to improve educational opportunities at
4 qualifying schools through the following programs and
5 services: early childhood education, reduced class size or
6 improved adult to student classroom ratio, enrichment
7 programs, remedial assistance, attendance improvement, and
8 other educationally beneficial expenditures which
9 supplement the regular and basic programs as determined by
10 the State Board of Education. Funds provided shall not be
11 expended for any political or lobbying purposes as defined
12 by board rule.

13 (f) Each district subject to the provisions of this
14 subdivision (H) (4) shall submit an acceptable plan to meet
15 the educational needs of disadvantaged children, in
16 compliance with the requirements of this paragraph, to the
17 State Board of Education prior to July 15 of each year.
18 This plan shall be consistent with the decisions of local
19 school councils concerning the school expenditure plans
20 developed in accordance with part 4 of Section 34-2.3. The
21 State Board shall approve or reject the plan within 60 days
22 after its submission. If the plan is rejected, the district
23 shall give written notice of intent to modify the plan
24 within 15 days of the notification of rejection and then
25 submit a modified plan within 30 days after the date of the
26 written notice of intent to modify. Districts may amend

1 approved plans pursuant to rules promulgated by the State
2 Board of Education.

3 Upon notification by the State Board of Education that
4 the district has not submitted a plan prior to July 15 or a
5 modified plan within the time period specified herein, the
6 State aid funds affected by that plan or modified plan
7 shall be withheld by the State Board of Education until a
8 plan or modified plan is submitted.

9 If the district fails to distribute State aid to
10 attendance centers in accordance with an approved plan, the
11 plan for the following year shall allocate funds, in
12 addition to the funds otherwise required by this
13 subsection, to those attendance centers which were
14 underfunded during the previous year in amounts equal to
15 such underfunding.

16 For purposes of determining compliance with this
17 subsection in relation to the requirements of attendance
18 center funding, each district subject to the provisions of
19 this subsection shall submit as a separate document by
20 December 1 of each year a report of expenditure data for
21 the prior year in addition to any modification of its
22 current plan. If it is determined that there has been a
23 failure to comply with the expenditure provisions of this
24 subsection regarding contravention or supplanting, the
25 State Superintendent of Education shall, within 60 days of
26 receipt of the report, notify the district and any affected

1 local school council. The district shall within 45 days of
2 receipt of that notification inform the State
3 Superintendent of Education of the remedial or corrective
4 action to be taken, whether by amendment of the current
5 plan, if feasible, or by adjustment in the plan for the
6 following year. Failure to provide the expenditure report
7 or the notification of remedial or corrective action in a
8 timely manner shall result in a withholding of the affected
9 funds.

10 The State Board of Education shall promulgate rules and
11 regulations to implement the provisions of this
12 subsection. No funds shall be released under this
13 subdivision (H) (4) to any district that has not submitted a
14 plan that has been approved by the State Board of
15 Education.

16 (I) (Blank).

17 (J) (Blank).

18 (K) Grants to Laboratory and Alternative Schools.

19 In calculating the amount to be paid to the governing board
20 of a public university that operates a laboratory school under
21 this Section or to any alternative school that is operated by a
22 regional superintendent of schools, the State Board of
23 Education shall require by rule such reporting requirements as

1 it deems necessary.

2 As used in this Section, "laboratory school" means a public
3 school which is created and operated by a public university and
4 approved by the State Board of Education. The governing board
5 of a public university which receives funds from the State
6 Board under this subsection (K) may not increase the number of
7 students enrolled in its laboratory school from a single
8 district, if that district is already sending 50 or more
9 students, except under a mutual agreement between the school
10 board of a student's district of residence and the university
11 which operates the laboratory school. A laboratory school may
12 not have more than 1,000 students, excluding students with
13 disabilities in a special education program.

14 As used in this Section, "alternative school" means a
15 public school which is created and operated by a Regional
16 Superintendent of Schools and approved by the State Board of
17 Education. Such alternative schools may offer courses of
18 instruction for which credit is given in regular school
19 programs, courses to prepare students for the high school
20 equivalency testing program or vocational and occupational
21 training. A regional superintendent of schools may contract
22 with a school district or a public community college district
23 to operate an alternative school. An alternative school serving
24 more than one educational service region may be established by
25 the regional superintendents of schools of the affected
26 educational service regions. An alternative school serving

1 more than one educational service region may be operated under
2 such terms as the regional superintendents of schools of those
3 educational service regions may agree.

4 Each laboratory and alternative school shall file, on forms
5 provided by the State Superintendent of Education, an annual
6 State aid claim which states the Average Daily Attendance of
7 the school's students by month. The best 3 months' Average
8 Daily Attendance shall be computed for each school. The general
9 State aid entitlement shall be computed by multiplying the
10 applicable Average Daily Attendance by the Foundation Level as
11 determined under this Section.

12 (L) Payments, Additional Grants in Aid and Other Requirements.

13 (1) For a school district operating under the financial
14 supervision of an Authority created under Article 34A, the
15 general State aid otherwise payable to that district under this
16 Section, but not the supplemental general State aid, shall be
17 reduced by an amount equal to the budget for the operations of
18 the Authority as certified by the Authority to the State Board
19 of Education, and an amount equal to such reduction shall be
20 paid to the Authority created for such district for its
21 operating expenses in the manner provided in Section 18-11. The
22 remainder of general State school aid for any such district
23 shall be paid in accordance with Article 34A when that Article
24 provides for a disposition other than that provided by this
25 Article.

1 (2) (Blank).

2 (3) Summer school. Summer school payments shall be made as
3 provided in Section 18-4.3.

4 (M) Education Funding Advisory Board.

5 The Education Funding Advisory Board, hereinafter in this
6 subsection (M) referred to as the "Board", is hereby created.
7 The Board shall consist of 5 members who are appointed by the
8 Governor, by and with the advice and consent of the Senate. The
9 members appointed shall include representatives of education,
10 business, and the general public. One of the members so
11 appointed shall be designated by the Governor at the time the
12 appointment is made as the chairperson of the Board. The
13 initial members of the Board may be appointed any time after
14 the effective date of this amendatory Act of 1997. The regular
15 term of each member of the Board shall be for 4 years from the
16 third Monday of January of the year in which the term of the
17 member's appointment is to commence, except that of the 5
18 initial members appointed to serve on the Board, the member who
19 is appointed as the chairperson shall serve for a term that
20 commences on the date of his or her appointment and expires on
21 the third Monday of January, 2002, and the remaining 4 members,
22 by lots drawn at the first meeting of the Board that is held
23 after all 5 members are appointed, shall determine 2 of their
24 number to serve for terms that commence on the date of their
25 respective appointments and expire on the third Monday of

1 January, 2001, and 2 of their number to serve for terms that
2 commence on the date of their respective appointments and
3 expire on the third Monday of January, 2000. All members
4 appointed to serve on the Board shall serve until their
5 respective successors are appointed and confirmed. Vacancies
6 shall be filled in the same manner as original appointments. If
7 a vacancy in membership occurs at a time when the Senate is not
8 in session, the Governor shall make a temporary appointment
9 until the next meeting of the Senate, when he or she shall
10 appoint, by and with the advice and consent of the Senate, a
11 person to fill that membership for the unexpired term. If the
12 Senate is not in session when the initial appointments are
13 made, those appointments shall be made as in the case of
14 vacancies.

15 The Education Funding Advisory Board shall be deemed
16 established, and the initial members appointed by the Governor
17 to serve as members of the Board shall take office, on the date
18 that the Governor makes his or her appointment of the fifth
19 initial member of the Board, whether those initial members are
20 then serving pursuant to appointment and confirmation or
21 pursuant to temporary appointments that are made by the
22 Governor as in the case of vacancies.

23 The State Board of Education shall provide such staff
24 assistance to the Education Funding Advisory Board as is
25 reasonably required for the proper performance by the Board of
26 its responsibilities.

1 For school years after the 2000-2001 school year, the
2 Education Funding Advisory Board, in consultation with the
3 State Board of Education, shall make recommendations as
4 provided in this subsection (M) to the General Assembly for the
5 foundation level under subdivision (B)(3) of this Section and
6 for the supplemental general State aid grant level under
7 subsection (H) of this Section for districts with high
8 concentrations of children from poverty. The recommended
9 foundation level shall be determined based on a methodology
10 which incorporates the basic education expenditures of
11 low-spending schools exhibiting high academic performance. The
12 Education Funding Advisory Board shall make such
13 recommendations to the General Assembly on January 1 of odd
14 numbered years, beginning January 1, 2001.

15 (N) (Blank).

16 (O) References.

17 (1) References in other laws to the various subdivisions of
18 Section 18-8 as that Section existed before its repeal and
19 replacement by this Section 18-8.05 shall be deemed to refer to
20 the corresponding provisions of this Section 18-8.05, to the
21 extent that those references remain applicable.

22 (2) References in other laws to State Chapter 1 funds shall
23 be deemed to refer to the supplemental general State aid
24 provided under subsection (H) of this Section.

1 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
2 changes to this Section. Under Section 6 of the Statute on
3 Statutes there is an irreconcilable conflict between Public Act
4 93-808 and Public Act 93-838. Public Act 93-838, being the last
5 acted upon, is controlling. The text of Public Act 93-838 is
6 the law regardless of the text of Public Act 93-808.

7 (Source: P.A. 96-45, eff. 7-15-09; 96-152, eff. 8-7-09; 96-300,
8 eff. 8-11-09; 96-328, eff. 8-11-09; 96-640, eff. 8-24-09;
9 96-959, eff. 7-1-10; 96-1000, eff. 7-2-10; 96-1480, eff.
10 11-18-10; 97-339, eff. 8-12-11; 97-351, eff. 8-12-11; revised
11 9-28-11.)

12 Section 99. Effective date. This Act takes effect January
13 1, 2013.

1	INDEX	
2	Statutes amended in order of appearance	
3	15 ILCS 405/30 new	
4	35 ILCS 200/20-15	
5	65 ILCS 5/8-8-3	from Ch. 24, par. 8-8-3
6	65 ILCS 5/8-8-3.5	
7	65 ILCS 5/11-74.4-3	from Ch. 24, par. 11-74.4-3
8	65 ILCS 5/11-74.4-3.5	
9	65 ILCS 5/11-74.4-4	from Ch. 24, par. 11-74.4-4
10	65 ILCS 5/11-74.4-5	from Ch. 24, par. 11-74.4-5
11	65 ILCS 5/11-74.6-15	
12	65 ILCS 5/11-74.6-22	
13	105 ILCS 5/18-8.05	