



Rep. John E. Bradley

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1 AMENDMENT TO SENATE BILL 410

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 410 by replacing  
3 everything after the enacting clause with the following:

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.

1       (b) The Comptroller shall establish a curriculum, which  
2 must include, but is not limited to, State reporting  
3 requirements, State law and regulation concerning the use of  
4 prevailing wage in redevelopment project areas, and eligible  
5 redevelopment project costs.

6       Section 10. The Property Tax Code is amended by changing  
7 Section 20-15 as follows:

8       (35 ILCS 200/20-15)

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

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

22       (b) a separate statement for each of the taxing  
23 districts of the dollar amount of tax due which is  
24 allocable to a tax levied under the Illinois Pension Code

1 or to any other tax levied by a municipality or township  
2 for public pension or retirement purposes,

3 (c) the total tax rate,

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

5 (e) the amount by which the total tax and the tax  
6 allocable to each taxing district differs from the  
7 taxpayer's last prior tax bill, ~~and~~

8 (f) the name and identification number of the  
9 redevelopment project area where the property is located,  
10 if applicable, and

11 (g) a State Internet website address where taxpayers  
12 can access information about tax increment financing and  
13 redevelopment project areas.

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

17 In all counties the statement shall also provide:

18 (1) the property index number or other suitable  
19 description,

20 (2) the assessment of the property,

21 (3) the equalization factors imposed by the county and  
22 by the Department, and

23 (4) the equalized assessment resulting from the  
24 application of the equalization factors to the basic  
25 assessment.

26 In all counties which do not classify property for purposes

1 of taxation, for property on which a single family residence is  
2 situated the statement shall also include a statement to  
3 reflect the fair cash value determined for the property. In all  
4 counties which classify property for purposes of taxation in  
5 accordance with Section 4 of Article IX of the Illinois  
6 Constitution, for parcels of residential property in the lowest  
7 assessment classification the statement shall also include a  
8 statement to reflect the fair cash value determined for the  
9 property.

10 In all counties, the statement must include information  
11 that certain taxpayers may be eligible for tax exemptions,  
12 abatements, and other assistance programs and that, for more  
13 information, taxpayers should consult with the office of their  
14 township or county assessor and with the Illinois Department of  
15 Revenue.

16 In all counties, the statement shall include information  
17 that certain taxpayers may be eligible for the Senior Citizens  
18 and Disabled Persons Property Tax Relief and Pharmaceutical  
19 Assistance Act and that applications are available from the  
20 Illinois Department on Aging.

21 In counties which use the estimated or accelerated billing  
22 methods, these statements shall only be provided with the final  
23 installment of taxes due. The provisions of this Section create  
24 a mandatory statutory duty. They are not merely directory or  
25 discretionary. The failure or neglect of the collector to mail  
26 the bill, or the failure of the taxpayer to receive the bill,

1 shall not affect the validity of any tax, or the liability for  
2 the payment of any tax.

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

4 Section 15. The Illinois Municipal Code is amended by  
5 changing Sections 8-8-3, 8-8-3.5, 11-74.4-3, 11-74.4-3.5,  
6 11-74.4-4, 11-74.4-5, 11-74.6-15, and 11-74.6-22 as follows:

7 (65 ILCS 5/8-8-3) (from Ch. 24, par. 8-8-3)

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

9 (a) The corporate authorities of each municipality coming  
10 under the provisions of this Division 8 shall cause an audit of  
11 the funds and accounts of the municipality to be made by an  
12 accountant or accountants employed by such municipality or by  
13 an accountant or accountants retained by the Comptroller, as  
14 hereinafter provided.

15 (b) The accounts and funds of each municipality having a  
16 population of 800 or more or having a bonded debt or owning or  
17 operating any type of public utility shall be audited annually.  
18 The audit herein required shall include all of the accounts and  
19 funds of the municipality. Such audit shall be begun as soon as  
20 possible after the close of the fiscal year, and shall be  
21 completed and the report submitted within 6 months after the  
22 close of such fiscal year, unless an extension of time shall be  
23 granted by the Comptroller in writing. The accountant or  
24 accountants making the audit shall submit not less than 2

1 copies of the audit report to the corporate authorities of the  
2 municipality being audited. Municipalities not operating  
3 utilities may cause audits of the accounts of municipalities to  
4 be made more often than herein provided, by an accountant or  
5 accountants. The audit report of such audit when filed with the  
6 Comptroller together with an audit report covering the  
7 remainder of the period for which an audit is required to be  
8 filed hereunder shall satisfy the requirements of this section.

9 (c) Municipalities of less than 800 population which do not  
10 own or operate public utilities and do not have bonded debt,  
11 shall file annually with the Comptroller a financial report  
12 containing information required by the Comptroller. Such  
13 annual financial report shall be on forms devised by the  
14 Comptroller in such manner as to not require professional  
15 accounting services for its preparation.

16 (d) In addition to any audit report required, all  
17 municipalities, except municipalities of less than 800  
18 population which do not own or operate public utilities and do  
19 not have bonded debt, shall file annually with the Comptroller  
20 a supplemental report on forms devised and approved by the  
21 Comptroller.

22 (e) Notwithstanding any provision of law to the contrary,  
23 if a municipality (i) has a population of less than 200, (ii)  
24 has bonded debt in the amount of \$50,000 or less, and (iii)  
25 owns or operates a public utility, then the municipality shall  
26 cause an audit of the funds and accounts of the municipality to

1 be made by an accountant employed by the municipality or  
2 retained by the Comptroller for fiscal year 2011 and every  
3 fourth fiscal year thereafter or until the municipality has a  
4 population of 200 or more, has bonded debt in excess of  
5 \$50,000, or no longer owns or operates a public utility.  
6 Nothing in this subsection shall be construed as limiting the  
7 municipality's duty to file an annual financial report with the  
8 Comptroller or to comply with the filing requirements  
9 concerning the county clerk.

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

19 (g) The State Comptroller has the authority to grant  
20 extensions for delinquent audit reports. The Comptroller may  
21 charge a municipality a fee for a delinquent audit of \$5 per  
22 day for the first 15 days past due, \$10 per day for 16 through  
23 30 days past due, \$15 per day for 31 through 45 days past due,  
24 and \$20 per day for the 46th day and every day thereafter. All  
25 fees collected pursuant to this subsection (g) shall be  
26 deposited into the Comptroller's Administrative Fund.

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

2 (65 ILCS 5/8-8-3.5)

3 Sec. 8-8-3.5. Tax Increment Financing Report. The reports  
4 filed under subsection (d) of Section 11-74.4-5 of the Tax  
5 Increment Allocation Redevelopment Act and the reports filed  
6 under subsection (d) of Section 11-74.6-22 of the Industrial  
7 Jobs Recovery Law in the Illinois Municipal Code must be  
8 separate from any other annual report filed with the  
9 Comptroller. The Comptroller must, in cooperation with  
10 reporting municipalities, create a format for the reporting of  
11 information described in paragraphs (1.5) and (5) and in  
12 subparagraph (G) of paragraph (7) of subsection (d) of Section  
13 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and  
14 the information described in paragraphs (1.5) and (5) and in  
15 subparagraph (G) of paragraph (7) of subsection (d) of Section  
16 11-74.6-22 of the Industrial Jobs Recovery Law that facilitates  
17 consistent reporting among the reporting municipalities. The  
18 Comptroller may allow these reports to be filed electronically  
19 and may display the report, or portions of the report,  
20 electronically via the Internet. All reports filed under this  
21 Section must be made available for examination and copying by  
22 the public at all reasonable times. A Tax Increment Financing  
23 Report must be filed with the Comptroller within 180 days after  
24 the close of the municipal fiscal year or as soon thereafter as  
25 the audit for the redevelopment project area for that fiscal



1 year becomes available. If the Tax Increment Finance  
2 administrator provides the Comptroller's office with  
3 sufficient evidence that the report is in the process of being  
4 completed by an auditor, the Comptroller may grant an  
5 extension. An additional copy of the report must be submitted  
6 to the State Board of Education if the report identifies  
7 amounts designated as surplus and distributed to taxing  
8 districts as provided in Section 11-74.4-7 of the Tax Increment  
9 Allocation Redevelopment Act. If the required report is not  
10 filed within the time extended by the Comptroller, the  
11 Comptroller may charge a municipality a fee of \$5 per day for  
12 the first 15 days past due, \$10 per day for 16 through 30 days  
13 past due, \$15 per day for 31 through 45 days past due, and \$20  
14 per day for the 46th day and every day thereafter. All fees  
15 collected pursuant to this Section shall be deposited into the  
16 Comptroller's Administrative Fund.

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

18 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

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

23 (a) For any redevelopment project area that has been  
24 designated pursuant to this Section by an ordinance adopted  
25 prior to November 1, 1999 (the effective date of Public Act

1 91-478), "blighted area" shall have the meaning set forth in  
2 this Section prior to that date.

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

7 (1) If improved, industrial, commercial, and  
8 residential buildings or improvements are detrimental to  
9 the public safety, health, or welfare because of a  
10 combination of 5 or more of the following factors, each of  
11 which is (i) present, with that presence documented, to a  
12 meaningful extent so that a municipality may reasonably  
13 find that the factor is clearly present within the intent  
14 of the Act and (ii) reasonably distributed throughout the  
15 improved part of the redevelopment project area:

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

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

26 (C) Deterioration. With respect to buildings,

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

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

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

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

25 (G) Lack of ventilation, light, or sanitary  
26 facilities. The absence of adequate ventilation for

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

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

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

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

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

20 (K) Environmental clean-up. The proposed  
21 redevelopment project area has incurred Illinois  
22 Environmental Protection Agency or United States  
23 Environmental Protection Agency remediation costs for,  
24 or a study conducted by an independent consultant  
25 recognized as having expertise in environmental  
26 remediation has determined a need for, the clean-up of

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

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

19 (M) The total equalized assessed value of the  
20 proposed redevelopment project area has declined for 3  
21 of the last 5 calendar years prior to the year in which  
22 the redevelopment project area is designated or is  
23 increasing at an annual rate that is less than the  
24 balance of the municipality for 3 of the last 5  
25 calendar years for which information is available or is  
26 increasing at an annual rate that is less than the

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

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

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

24 (B) Diversity of ownership of parcels of vacant  
25 land sufficient in number to retard or impede the  
26 ability to assemble the land for development.

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

4 (D) Deterioration of structures or site  
5 improvements in neighboring areas adjacent to the  
6 vacant land.

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

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



1 by the United States Department of Labor or successor  
2 agency for 3 of the last 5 calendar years prior to the  
3 year in which the redevelopment project area is  
4 designated.

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

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

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

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

26 (D) The area consists of an unused or illegal

1 disposal site containing earth, stone, building  
2 debris, or similar materials that were removed from  
3 construction, demolition, excavation, or dredge sites.

4 (E) Prior to November 1, 1999, the area is not less  
5 than 50 nor more than 100 acres and 75% of which is  
6 vacant (notwithstanding that the area has been used for  
7 commercial agricultural purposes within 5 years prior  
8 to the designation of the redevelopment project area),  
9 and the area meets at least one of the factors itemized  
10 in paragraph (1) of this subsection, the area has been  
11 designated as a town or village center by ordinance or  
12 comprehensive plan adopted prior to January 1, 1982,  
13 and the area has not been developed for that designated  
14 purpose.

15 (F) The area qualified as a blighted improved area  
16 immediately prior to becoming vacant, unless there has  
17 been substantial private investment in the immediately  
18 surrounding area.

19 (b) For any redevelopment project area that has been  
20 designated pursuant to this Section by an ordinance adopted  
21 prior to November 1, 1999 (the effective date of Public Act  
22 91-478), "conservation area" shall have the meaning set forth  
23 in this Section prior to that date.

24 On and after November 1, 1999, "conservation area" means  
25 any improved area within the boundaries of a redevelopment  
26 project area located within the territorial limits of the

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

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

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

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

26 (4) Presence of structures below minimum code

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

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

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

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

26 (8) Inadequate utilities. Underground and overhead

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

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

26 (10) Deleterious land use or layout. The existence of

1 incompatible land-use relationships, buildings occupied by  
2 inappropriate mixed-uses, or uses considered to be  
3 noxious, offensive, or unsuitable for the surrounding  
4 area.

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

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

1 area.

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

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

21 (d) "Industrial park conservation area" means an area  
22 within the boundaries of a redevelopment project area located  
23 within the territorial limits of a municipality that is a labor  
24 surplus municipality or within 1 1/2 miles of the territorial  
25 limits of a municipality that is a labor surplus municipality  
26 if the area is annexed to the municipality; which area is zoned

1 as industrial no later than at the time the municipality by  
2 ordinance designates the redevelopment project area, and which  
3 area includes both vacant land suitable for use as an  
4 industrial park and a blighted area or conservation area  
5 contiguous to such vacant land.

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

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

24 (g) "Initial Sales Tax Amounts" means the amount of taxes  
25 paid under the Retailers' Occupation Tax Act, Use Tax Act,  
26 Service Use Tax Act, the Service Occupation Tax Act, the



1 Municipal Retailers' Occupation Tax Act, and the Municipal  
2 Service Occupation Tax Act by retailers and servicemen on  
3 transactions at places located in a State Sales Tax Boundary  
4 during the calendar year 1985.

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

12 (h) "Municipal Sales Tax Increment" means an amount equal  
13 to the increase in the aggregate amount of taxes paid to a  
14 municipality from the Local Government Tax Fund arising from  
15 sales by retailers and servicemen within the redevelopment  
16 project area or State Sales Tax Boundary, as the case may be,  
17 for as long as the redevelopment project area or State Sales  
18 Tax Boundary, as the case may be, exist over and above the  
19 aggregate amount of taxes as certified by the Illinois  
20 Department of Revenue and paid under the Municipal Retailers'  
21 Occupation Tax Act and the Municipal Service Occupation Tax Act  
22 by retailers and servicemen, on transactions at places of  
23 business located in the redevelopment project area or State  
24 Sales Tax Boundary, as the case may be, during the base year  
25 which shall be the calendar year immediately prior to the year  
26 in which the municipality adopted tax increment allocation

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

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

17 (i) "Net State Sales Tax Increment" means the sum of the  
18 following: (a) 80% of the first \$100,000 of State Sales Tax  
19 Increment annually generated within a State Sales Tax Boundary;  
20 (b) 60% of the amount in excess of \$100,000 but not exceeding  
21 \$500,000 of State Sales Tax Increment annually generated within  
22 a State Sales Tax Boundary; and (c) 40% of all amounts in  
23 excess of \$500,000 of State Sales Tax Increment annually  
24 generated within a State Sales Tax Boundary. If, however, a  
25 municipality established a tax increment financing district in  
26 a county with a population in excess of 3,000,000 before

1 January 1, 1986, and the municipality entered into a contract  
2 or issued bonds after January 1, 1986, but before December 31,  
3 1986, to finance redevelopment project costs within a State  
4 Sales Tax Boundary, then the Net State Sales Tax Increment  
5 means, for the fiscal years beginning July 1, 1990, and July 1,  
6 1991, 100% of the State Sales Tax Increment annually generated  
7 within a State Sales Tax Boundary; and notwithstanding any  
8 other provision of this Act, for those fiscal years the  
9 Department of Revenue shall distribute to those municipalities  
10 100% of their Net State Sales Tax Increment before any  
11 distribution to any other municipality and regardless of  
12 whether or not those other municipalities will receive 100% of  
13 their Net State Sales Tax Increment. For Fiscal Year 1999, and  
14 every year thereafter until the year 2007, for any municipality  
15 that has not entered into a contract or has not issued bonds  
16 prior to June 1, 1988 to finance redevelopment project costs  
17 within a State Sales Tax Boundary, the Net State Sales Tax  
18 Increment shall be calculated as follows: By multiplying the  
19 Net State Sales Tax Increment by 90% in the State Fiscal Year  
20 1999; 80% in the State Fiscal Year 2000; 70% in the State  
21 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the  
22 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%  
23 in the State Fiscal Year 2005; 20% in the State Fiscal Year  
24 2006; and 10% in the State Fiscal Year 2007. No payment shall  
25 be made for State Fiscal Year 2008 and thereafter.

26 Municipalities that issued bonds in connection with a

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

26 (j) "State Utility Tax Increment Amount" means an amount

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

12 (k) "Net State Utility Tax Increment" means the sum of the  
13 following: (a) 80% of the first \$100,000 of State Utility Tax  
14 Increment annually generated by a redevelopment project area;  
15 (b) 60% of the amount in excess of \$100,000 but not exceeding  
16 \$500,000 of the State Utility Tax Increment annually generated  
17 by a redevelopment project area; and (c) 40% of all amounts in  
18 excess of \$500,000 of State Utility Tax Increment annually  
19 generated by a redevelopment project area. For the State Fiscal  
20 Year 1999, and every year thereafter until the year 2007, for  
21 any municipality that has not entered into a contract or has  
22 not issued bonds prior to June 1, 1988 to finance redevelopment  
23 project costs within a redevelopment project area, the Net  
24 State Utility Tax Increment shall be calculated as follows: By  
25 multiplying the Net State Utility Tax Increment by 90% in the  
26 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%

1 in the State Fiscal Year 2001; 60% in the State Fiscal Year  
2 2002; 50% in the State Fiscal Year 2003; 40% in the State  
3 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the  
4 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.  
5 No payment shall be made for the State Fiscal Year 2008 and  
6 thereafter.

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

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

24 (m) "Payment in lieu of taxes" means those estimated tax  
25 revenues from real property in a redevelopment project area  
26 derived from real property that has been acquired by a

1 municipality which according to the redevelopment project or  
2 plan is to be used for a private use which taxing districts  
3 would have received had a municipality not acquired the real  
4 property and adopted tax increment allocation financing and  
5 which would result from levies made after the time of the  
6 adoption of tax increment allocation financing to the time the  
7 current equalized value of real property in the redevelopment  
8 project area exceeds the total initial equalized value of real  
9 property in said area.

10 (n) "Redevelopment plan" means the comprehensive program  
11 of the municipality for development or redevelopment intended  
12 by the payment of redevelopment project costs to reduce or  
13 eliminate those conditions the existence of which qualified the  
14 redevelopment project area as a "blighted area" or  
15 "conservation area" or combination thereof or "industrial park  
16 conservation area," and thereby to enhance the tax bases of the  
17 taxing districts which extend into the redevelopment project  
18 area. On and after November 1, 1999 (the effective date of  
19 Public Act 91-478), no redevelopment plan may be approved or  
20 amended that includes the development of vacant land (i) with a  
21 golf course and related clubhouse and other facilities or (ii)  
22 designated by federal, State, county, or municipal government  
23 as public land for outdoor recreational activities or for  
24 nature preserves and used for that purpose within 5 years prior  
25 to the adoption of the redevelopment plan. For the purpose of  
26 this subsection, "recreational activities" is limited to mean



1 camping and hunting. On and after January 1, 2013, in a  
2 municipality with a population exceeding 25,000 inhabitants,  
3 no redevelopment plan may be approved that allocates more than  
4 25% of the estimated redevelopment project costs to residential  
5 developments, other than residential development projects that  
6 include affordable housing for low-income and very low-income  
7 households, as those terms are defined by the Illinois  
8 Affordable Housing Act, and no redevelopment plan shall be  
9 amended to exceed that 25% limitation. Each redevelopment plan  
10 shall set forth in writing the program to be undertaken to  
11 accomplish the objectives and shall include but not be limited  
12 to:

13 (A) an itemized list of estimated redevelopment  
14 project costs;

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

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

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

24 (E) the nature and term of the obligations to be  
25 issued;

26 (F) the most recent equalized assessed valuation of the

1 redevelopment project area;

2 (G) an estimate as to the equalized assessed valuation  
3 after redevelopment and the general land uses to apply in  
4 the redevelopment project area;

5 (H) a commitment to fair employment practices and an  
6 affirmative action plan;

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

14 (J) if property is to be annexed to the municipality,  
15 the plan shall include the terms of the annexation  
16 agreement.

17 The provisions of items (B) and (C) of this subsection (n)  
18 shall not apply to a municipality that before March 14, 1994  
19 (the effective date of Public Act 88-537) had fixed, either by  
20 its corporate authorities or by a commission designated under  
21 subsection (k) of Section 11-74.4-4, a time and place for a  
22 public hearing as required by subsection (a) of Section  
23 11-74.4-5. No redevelopment plan shall be adopted unless a  
24 municipality complies with all of the following requirements:

25 (1) The municipality finds that the redevelopment  
26 project area on the whole has not been subject to growth

1 and development through investment by private enterprise  
2 and would not reasonably be anticipated to be developed  
3 without the adoption of the redevelopment plan.

4 (2) The municipality finds that the redevelopment plan  
5 and project conform to the comprehensive plan for the  
6 development of the municipality as a whole, or, for  
7 municipalities with a population of 100,000 or more,  
8 regardless of when the redevelopment plan and project was  
9 adopted, the redevelopment plan and project either: (i)  
10 conforms to the strategic economic development or  
11 redevelopment plan issued by the designated planning  
12 authority of the municipality, or (ii) includes land uses  
13 that have been approved by the planning commission of the  
14 municipality.

15 (3) The redevelopment plan establishes the estimated  
16 dates of completion of the redevelopment project and  
17 retirement of obligations issued to finance redevelopment  
18 project costs. Those dates may not be later than the dates  
19 set forth under Section 11-74.4-3.5.

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

1 redevelopment project area.

2 (3.5) The municipality finds, in the case of an  
3 industrial park conservation area, also that the  
4 municipality is a labor surplus municipality and that the  
5 implementation of the redevelopment plan will reduce  
6 unemployment, create new jobs and by the provision of new  
7 facilities enhance the tax base of the taxing districts  
8 that extend into the redevelopment project area.

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

18 (5) If the redevelopment plan will not result in  
19 displacement of residents from 10 or more inhabited  
20 residential units, and the municipality certifies in the  
21 plan that such displacement will not result from the plan,  
22 a housing impact study need not be performed. If, however,  
23 the redevelopment plan would result in the displacement of  
24 residents from 10 or more inhabited residential units, or  
25 if the redevelopment project area contains 75 or more  
26 inhabited residential units and no certification is made,

1           then the municipality shall prepare, as part of the  
2           separate feasibility report required by subsection (a) of  
3           Section 11-74.4-5, a housing impact study.

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

17          Part II of the housing impact study shall identify the  
18          inhabited residential units in the proposed redevelopment  
19          project area that are to be or may be removed. If inhabited  
20          residential units are to be removed, then the housing  
21          impact study shall identify (i) the number and location of  
22          those units that will or may be removed, (ii) the  
23          municipality's plans for relocation assistance for those  
24          residents in the proposed redevelopment project area whose  
25          residences are to be removed, (iii) the availability of  
26          replacement housing for those residents whose residences

1 are to be removed, and shall identify the type, location,  
2 and cost of the housing, and (iv) the type and extent of  
3 relocation assistance to be provided.

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

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

1 the municipality.

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

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

23 (o) "Redevelopment project" means any public and private  
24 development project in furtherance of the objectives of a  
25 redevelopment plan. On and after November 1, 1999 (the  
26 effective date of Public Act 91-478), no redevelopment plan may

1 be approved or amended that includes the development of vacant  
2 land (i) with a golf course and related clubhouse and other  
3 facilities or (ii) designated by federal, State, county, or  
4 municipal government as public land for outdoor recreational  
5 activities or for nature preserves and used for that purpose  
6 within 5 years prior to the adoption of the redevelopment plan.  
7 For the purpose of this subsection, "recreational activities"  
8 is limited to mean camping and hunting.

9 (p) "Redevelopment project area" means an area designated  
10 by the municipality, which is not less in the aggregate than 1  
11 1/2 acres and in respect to which the municipality has made a  
12 finding that there exist conditions which cause the area to be  
13 classified as an industrial park conservation area or a  
14 blighted area or a conservation area, or a combination of both  
15 blighted areas and conservation areas.

16 (p-1) Notwithstanding any provision of this Act to the  
17 contrary, on and after August 25, 2009 (the effective date of  
18 Public Act 96-680), a redevelopment project area may include  
19 areas within a one-half mile radius of an existing or proposed  
20 Regional Transportation Authority Suburban Transit Access  
21 Route (STAR Line) station without a finding that the area is  
22 classified as an industrial park conservation area, a blighted  
23 area, a conservation area, or a combination thereof, but only  
24 if the municipality receives unanimous consent from the joint  
25 review board created to review the proposed redevelopment  
26 project area.



1           (q) "Redevelopment project costs", except for  
2 redevelopment project areas created pursuant to subsection  
3 (p-1), means and includes the sum total of all reasonable or  
4 necessary costs incurred or estimated to be incurred, and any  
5 such costs incidental to a redevelopment plan and a  
6 redevelopment project. Such costs include, without limitation,  
7 the following:

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

1 received, or are receiving, payments financed by tax  
2 increment revenues produced by the redevelopment project  
3 area with respect to which the consultant or advisor has  
4 performed, or will be performing, service for the  
5 municipality. This requirement shall be satisfied by the  
6 consultant or advisor before the commencement of services  
7 for the municipality and thereafter whenever any other  
8 contracts with those individuals or entities are executed  
9 by the consultant or advisor;

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

16 (1.6) The cost of marketing sites within the  
17 redevelopment project area to prospective businesses,  
18 developers, and investors;

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

1           (3) Costs of rehabilitation, reconstruction or repair  
2 or remodeling of existing public or private buildings,  
3 fixtures, and leasehold improvements; and the cost of  
4 replacing an existing public building if pursuant to the  
5 implementation of a redevelopment project the existing  
6 public building is to be demolished to use the site for  
7 private investment or devoted to a different use requiring  
8 private investment; including any direct or indirect costs  
9 relating to Green Globes or LEED certified construction  
10 elements or construction elements with an equivalent  
11 certification;

12           (4) Costs of the construction of public works or  
13 improvements, including any direct or indirect costs  
14 relating to Green Globes or LEED certified construction  
15 elements or construction elements with an equivalent  
16 certification, except that on and after November 1, 1999,  
17 redevelopment project costs shall not include the cost of  
18 constructing a new municipal public building principally  
19 used to provide offices, storage space, or conference  
20 facilities or vehicle storage, maintenance, or repair for  
21 administrative, public safety, or public works personnel  
22 and that is not intended to replace an existing public  
23 building as provided under paragraph (3) of subsection (q)  
24 of Section 11-74.4-3 unless either (i) the construction of  
25 the new municipal building implements a redevelopment  
26 project that was included in a redevelopment plan that was

1        adopted by the municipality prior to November 1, 1999 or  
2        (ii) the municipality makes a reasonable determination in  
3        the redevelopment plan, supported by information that  
4        provides the basis for that determination, that the new  
5        municipal building is required to meet an increase in the  
6        need for public safety purposes anticipated to result from  
7        the implementation of the redevelopment plan;

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

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

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

26       (7.5) For redevelopment project areas designated (or

1 redevelopment project areas amended to add or increase the  
2 number of tax-increment-financing assisted housing units)  
3 on or after November 1, 1999, an elementary, secondary, or  
4 unit school district's increased costs attributable to  
5 assisted housing units located within the redevelopment  
6 project area for which the developer or redeveloper  
7 receives financial assistance through an agreement with  
8 the municipality or because the municipality incurs the  
9 cost of necessary infrastructure improvements within the  
10 boundaries of the assisted housing sites necessary for the  
11 completion of that housing as authorized by this Act, and  
12 which costs shall be paid by the municipality from the  
13 Special Tax Allocation Fund when the tax increment revenue  
14 is received as a result of the assisted housing units and  
15 shall be calculated annually as follows:

16 (A) for foundation districts, excluding any school  
17 district in a municipality with a population in excess  
18 of 1,000,000, by multiplying the district's increase  
19 in attendance resulting from the net increase in new  
20 students enrolled in that school district who reside in  
21 housing units within the redevelopment project area  
22 that have received financial assistance through an  
23 agreement with the municipality or because the  
24 municipality incurs the cost of necessary  
25 infrastructure improvements within the boundaries of  
26 the housing sites necessary for the completion of that

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

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

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

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

26 (B) For alternate method districts, flat grant

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

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

26 (ii) for elementary school districts, no more

1           than 27% of the total amount of property tax  
2           increment revenue produced by those housing units  
3           that have received tax increment finance  
4           assistance under this Act; and

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

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

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

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

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



1 Any school district seeking payment under this  
2 paragraph (7.5) shall, after July 1 and before  
3 September 30 of each year, provide the municipality  
4 with reasonable evidence to support its claim for  
5 reimbursement before the municipality shall be  
6 required to approve or make the payment to the school  
7 district. If the school district fails to provide the  
8 information during this period in any year, it shall  
9 forfeit any claim to reimbursement for that year.  
10 School districts may adopt a resolution waiving the  
11 right to all or a portion of the reimbursement  
12 otherwise required by this paragraph (7.5). By  
13 acceptance of this reimbursement the school district  
14 waives the right to directly or indirectly set aside,  
15 modify, or contest in any manner the establishment of  
16 the redevelopment project area or projects;

17 (7.7) For redevelopment project areas designated (or  
18 redevelopment project areas amended to add or increase the  
19 number of tax-increment-financing assisted housing units)  
20 on or after January 1, 2005 (the effective date of Public  
21 Act 93-961), a public library district's increased costs  
22 attributable to assisted housing units located within the  
23 redevelopment project area for which the developer or  
24 redeveloper receives financial assistance through an  
25 agreement with the municipality or because the  
26 municipality incurs the cost of necessary infrastructure

1 improvements within the boundaries of the assisted housing  
2 sites necessary for the completion of that housing as  
3 authorized by this Act shall be paid to the library  
4 district by the municipality from the Special Tax  
5 Allocation Fund when the tax increment revenue is received  
6 as a result of the assisted housing units. This paragraph  
7 (7.7) applies only if (i) the library district is located  
8 in a county that is subject to the Property Tax Extension  
9 Limitation Law or (ii) the library district is not located  
10 in a county that is subject to the Property Tax Extension  
11 Limitation Law but the district is prohibited by any other  
12 law from increasing its tax levy rate without a prior voter  
13 referendum.

14 The amount paid to a library district under this  
15 paragraph (7.7) shall be calculated by multiplying (i) the  
16 net increase in the number of persons eligible to obtain a  
17 library card in that district who reside in housing units  
18 within the redevelopment project area that have received  
19 financial assistance through an agreement with the  
20 municipality or because the municipality incurs the cost of  
21 necessary infrastructure improvements within the  
22 boundaries of the housing sites necessary for the  
23 completion of that housing as authorized by this Act since  
24 the designation of the redevelopment project area by (ii)  
25 the per-patron cost of providing library services so long  
26 as it does not exceed \$120. The per-patron cost shall be

1 the Total Operating Expenditures Per Capita for the library  
2 in the previous fiscal year. The municipality may deduct  
3 from the amount that it must pay to a library district  
4 under this paragraph any amount that it has voluntarily  
5 paid to the library district from the tax increment  
6 revenue. The amount paid to a library district under this  
7 paragraph (7.7) shall be no more than 2% of the amount  
8 produced by the assisted housing units and deposited into  
9 the Special Tax Allocation Fund.

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

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

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

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

10 (9) Payment in lieu of taxes;

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

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

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

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

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

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

24 (D) the total of such interest payments paid  
25 pursuant to this Act may not exceed 30% of the total  
26 (i) cost paid or incurred by the redeveloper for the

1           redevelopment project plus (ii) redevelopment project  
2           costs excluding any property assembly costs and any  
3           relocation costs incurred by a municipality pursuant  
4           to this Act; and

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

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

1 housing.

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

1 funds, or other appropriate methods designed to  
2 preserve the original affordability of the ownership  
3 units. For rental units, the guidelines will provide,  
4 at a minimum, for the affordability of rent to low and  
5 very low-income households. As units become available,  
6 they shall be rented to income-eligible tenants. The  
7 municipality may modify these guidelines from time to  
8 time; the guidelines, however, shall be in effect for  
9 as long as tax increment revenue is being used to pay  
10 for costs associated with the units or for the  
11 retirement of bonds issued to finance the units or for  
12 the life of the redevelopment project area, whichever  
13 is later.

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



1 county, or regional median income are determined from time  
2 to time by the United States Department of Housing and  
3 Urban Development.

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

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

1           (14) No cost shall be a redevelopment project cost in a  
2           redevelopment project area if used to demolish, remove, or  
3           substantially modify a historic resource, after August 26,  
4           2008 (the effective date of Public Act 95-934), unless no  
5           prudent and feasible alternative exists. "Historic  
6           resource" for the purpose of this item (14) means (i) a  
7           place or structure that is included or eligible for  
8           inclusion on the National Register of Historic Places or  
9           (ii) a contributing structure in a district on the National  
10          Register of Historic Places. This item (14) does not apply  
11          to a place or structure for which demolition, removal, or  
12          modification is subject to review by the preservation  
13          agency of a Certified Local Government designated as such  
14          by the National Park Service of the United States  
15          Department of the Interior.

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

23          (q-1) For redevelopment project areas created pursuant to  
24          subsection (p-1), redevelopment project costs are limited to  
25          those costs in paragraph (q) that are related to the existing  
26          or proposed Regional Transportation Authority Suburban Transit

1 Access Route (STAR Line) station.

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

9 (s) "State Sales Tax Increment" means an amount equal to  
10 the increase in the aggregate amount of taxes paid by retailers  
11 and servicemen, other than retailers and servicemen subject to  
12 the Public Utilities Act, on transactions at places of business  
13 located within a State Sales Tax Boundary pursuant to the  
14 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use  
15 Tax Act, and the Service Occupation Tax Act, except such  
16 portion of such increase that is paid into the State and Local  
17 Sales Tax Reform Fund, the Local Government Distributive Fund,  
18 the Local Government Tax Fund and the County and Mass Transit  
19 District Fund, for as long as State participation exists, over  
20 and above the Initial Sales Tax Amounts, Adjusted Initial Sales  
21 Tax Amounts or the Revised Initial Sales Tax Amounts for such  
22 taxes as certified by the Department of Revenue and paid under  
23 those Acts by retailers and servicemen on transactions at  
24 places of business located within the State Sales Tax Boundary  
25 during the base year which shall be the calendar year  
26 immediately prior to the year in which the municipality adopted

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

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

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

25 (u) "Taxing districts' capital costs" means those costs of  
26 taxing districts for capital improvements that are found by the

1 municipal corporate authorities to be necessary and directly  
2 result from the redevelopment project.

3 (v) As used in subsection (a) of Section 11-74.4-3 of this  
4 Act, "vacant land" means any parcel or combination of parcels  
5 of real property without industrial, commercial, and  
6 residential buildings which has not been used for commercial  
7 agricultural purposes within 5 years prior to the designation  
8 of the redevelopment project area, unless the parcel is  
9 included in an industrial park conservation area or the parcel  
10 has been subdivided; provided that if the parcel was part of a  
11 larger tract that has been divided into 3 or more smaller  
12 tracts that were accepted for recording during the period from  
13 1950 to 1990, then the parcel shall be deemed to have been  
14 subdivided, and all proceedings and actions of the municipality  
15 taken in that connection with respect to any previously  
16 approved or designated redevelopment project area or amended  
17 redevelopment project area are hereby validated and hereby  
18 declared to be legally sufficient for all purposes of this Act.  
19 For purposes of this Section and only for land subject to the  
20 subdivision requirements of the Plat Act, land is subdivided  
21 when the original plat of the proposed Redevelopment Project  
22 Area or relevant portion thereof has been properly certified,  
23 acknowledged, approved, and recorded or filed in accordance  
24 with the Plat Act and a preliminary plat, if any, for any  
25 subsequent phases of the proposed Redevelopment Project Area or  
26 relevant portion thereof has been properly approved and filed

1 in accordance with the applicable ordinance of the  
2 municipality.

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

11 (x) "LEED certified" means any certification level of  
12 construction elements by a qualified Leadership in Energy and  
13 Environmental Design Accredited Professional as determined by  
14 the U.S. Green Building Council.

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

18 (Source: P.A. 96-328, eff. 8-11-09; 96-630, eff. 1-1-10;  
19 96-680, eff. 8-25-09; 96-1000, eff. 7-2-10; 97-101, eff.  
20 1-1-12.)

21 (65 ILCS 5/11-74.4-3.5)

22 Sec. 11-74.4-3.5. Completion dates for redevelopment  
23 projects.

24 (a) Unless otherwise stated in this Section, the estimated  
25 dates of completion of the redevelopment project and retirement

1 of obligations issued to finance redevelopment project costs  
2 (including refunding bonds under Section 11-74.4-7) may not be  
3 later than December 31 of the year in which the payment to the  
4 municipal treasurer, as provided in subsection (b) of Section  
5 11-74.4-8 of this Act, is to be made with respect to ad valorem  
6 taxes levied in the 23rd calendar year after the year in which  
7 the ordinance approving the redevelopment project area was  
8 adopted if the ordinance was adopted on or after January 15,  
9 1981.

10 (a-5) On and after January 1, 2013, the estimated date of  
11 completion of a redevelopment project and retirement of  
12 obligations issued to finance redevelopment project costs,  
13 including, but not limited to, refunding bonds under Section  
14 11-74.4-7, shall be no later than December 31 of the year in  
15 which the payment to the municipal treasurer, as provided in  
16 subsection (b) of Section 11-74.4-8, is to be made with respect  
17 to ad valorem taxes levied in the 23rd calendar year after the  
18 year in which the ordinance approving the redevelopment project  
19 area was adopted unless all taxing districts serving on the  
20 joint review board send documentation supporting a later  
21 estimated date of completion to the State Comptroller and the  
22 extension of the later estimated date of completion date is  
23 authorized by a subsequent amendment to this Code. The State  
24 Comptroller must post this documentation on the State  
25 Comptroller's official website. This information must be  
26 posted no later than 45 days after the State Comptroller



1 receives the information from the taxing districts.

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

12 The estimated dates of completion of the redevelopment  
13 project and retirement of obligations issued to finance  
14 redevelopment project costs (including refunding bonds under  
15 Section 11-74.4-7) may not be later than December 31 of the  
16 year in which the payment to the municipal treasurer as  
17 provided in subsection (b) of Section 11-74.4-8 of this Act is  
18 to be made with respect to ad valorem taxes levied in the 33rd  
19 calendar year after the year in which the ordinance approving  
20 the redevelopment project area was adopted, if the ordinance  
21 was adopted on May 20, 1985 by the Village of Wheeling.

22 The estimated dates of completion of the redevelopment  
23 project and retirement of obligations issued to finance  
24 redevelopment project costs (including refunding bonds under  
25 Section 11-74.4-7) may not be later than December 31 of the  
26 year in which the payment to the municipal treasurer as

1 provided in subsection (b) of Section 11-74.4-8 of this Act is  
2 to be made with respect to ad valorem taxes levied in the 28th  
3 calendar year after the year in which the ordinance approving  
4 the redevelopment project area was adopted, if the ordinance  
5 was adopted on October 12, 1989 by the City of Lawrenceville.

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

15 (1) if the ordinance was adopted before January 15,  
16 1981;

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

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

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

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

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

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

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

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

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

19           (11) if the ordinance was adopted before December 18,  
20 1986 by the City of Moline;

21           (12) if the ordinance was adopted in September 1988 by  
22 Sauk Village;

23           (13) if the ordinance was adopted in October 1993 by  
24 Sauk Village;

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

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

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

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

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

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

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

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

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

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

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

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

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

26           (27) if the ordinance was adopted on November 5, 1984

1 by the City of LeRoy;

2 (28) if the ordinance was adopted on April 3, 1991 or  
3 June 3, 1992 by the City of Markham;

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

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

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

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

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

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

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

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

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

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

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

26 (40) if the ordinance was adopted on September 21, 1998

1 by the City of Waukegan;

2 (41) if the ordinance was adopted on December 31, 1986  
3 by the City of Sullivan;

4 (42) if the ordinance was adopted on December 23, 1991  
5 by the City of Sullivan;

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

8 (44) if the ordinance was adopted on July 28, 1987 by  
9 the City of Marion;

10 (45) if the ordinance was adopted on April 23, 1990 by  
11 the City of Marion;

12 (46) if the ordinance was adopted on August 20, 1985 by  
13 the Village of Mount Prospect;

14 (47) if the ordinance was adopted on February 2, 1998  
15 by the Village of Woodhull;

16 (48) if the ordinance was adopted on April 20, 1993 by  
17 the Village of Princeville;

18 (49) if the ordinance was adopted on July 1, 1986 by  
19 the City of Granite City;

20 (50) if the ordinance was adopted on February 2, 1989  
21 by the Village of Lombard;

22 (51) if the ordinance was adopted on December 29, 1986  
23 by the Village of Gardner;

24 (52) if the ordinance was adopted on July 14, 1999 by  
25 the Village of Paw Paw;

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

1 by the Village of Franklin Park;

2 (54) if the ordinance was adopted on November 20, 1989  
3 by the Village of South Holland;

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

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

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

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

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

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

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

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

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

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

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

26 (66) if the ordinance was adopted on December 22, 1986

1 by the City of DeKalb;

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

3 by the City of Aurora;

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

5 by the Village of Milan;

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

7 by the City of West Frankfort;

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

9 by the Village of Libertyville;

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

11 by the Village of Hoffman Estates;

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

13 by the Village of Sherman;

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

15 by the City of Macomb;

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

17 the City of East Peoria to create the West Washington  
18 Street TIF;

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

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

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

22 the City of Des Plaines;

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

24 by the City of Washington to create the Washington Square  
25 TIF #2;

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



1 by the City of Morris;

2 (79) if the ordinance was adopted on July 6, 1998 by  
3 the Village of Steeleville;

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

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

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

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

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

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

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

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

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

1           (89) if the ordinance was adopted on December 30, 1986  
2           by the Village of Bellevue to create the Bellevue TIF  
3           District 1;

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

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

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

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

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

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

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

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

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

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

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

26          (101) ~~(95)~~ if the ordinance was adopted on October 27,

1 1998 by the City of Moline; or

2 (102) if the ordinance was adopted on January 28, 1992  
3 by the City of East Peoria;

4 (103) if the ordinance was adopted on December 14, 1998  
5 by the City of Carlyle; or

6 (104) if the ordinance was adopted on May 21, 1991 by  
7 the Village of Glenwood.

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

21 (e) Those dates, for purposes of real property tax  
22 increment allocation financing pursuant to Section 11-74.4-8  
23 only, shall be not more than 35 years for redevelopment project  
24 areas that were adopted on or after December 16, 1986 and for  
25 which at least \$8 million worth of municipal bonds were  
26 authorized on or after December 19, 1989 but before January 1,

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

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

20 (g) In consolidating the material relating to completion  
21 dates from Sections 11-74.4-3 and 11-74.4-7 into this Section,  
22 it is not the intent of the General Assembly to make any  
23 substantive change in the law, except for the extension of the  
24 completion dates for the City of Aurora, the Village of Milan,  
25 the City of West Frankfort, the Village of Libertyville, and  
26 the Village of Hoffman Estates set forth under items (67),

1 (68), (69), (70), and (71) of subsection (c) of this Section.  
2 (Source: P.A. 96-127, eff. 8-4-09; 96-182, eff. 8-10-09;  
3 96-208, eff. 8-10-09; 96-209, eff. 1-1-10; 96-213, eff.  
4 8-10-09; 96-264, eff. 8-11-09; 96-328, eff. 8-11-09; 96-439,  
5 eff. 8-14-09; 96-454, eff. 8-14-09; 96-722, eff. 8-25-09;  
6 96-773, eff. 8-28-09; 96-830, eff. 12-4-09; 96-837, eff.  
7 12-16-09; 96-1000, eff. 7-2-10; 96-1359, eff. 7-28-10;  
8 96-1494, eff. 12-30-10; 96-1514, eff. 2-4-11; 96-1552, eff.  
9 3-10-11; 97-93, eff. 1-1-12; 97-372, eff. 8-15-11; 97-600, eff.  
10 8-26-11; 97-633, eff. 12-16-11; 97-635, eff. 12-16-11; revised  
11 12-29-11.)

12 (65 ILCS 5/11-74.4-4) (from Ch. 24, par. 11-74.4-4)  
13 Sec. 11-74.4-4. Municipal powers and duties; redevelopment  
14 project areas. The changes made by this amendatory Act of the  
15 91st General Assembly do not apply to a municipality that, (i)  
16 before the effective date of this amendatory Act of the 91st  
17 General Assembly, has adopted an ordinance or resolution fixing  
18 a time and place for a public hearing under Section 11-74.4-5  
19 or (ii) before July 1, 1999, has adopted an ordinance or  
20 resolution providing for a feasibility study under Section  
21 11-74.4-4.1, but has not yet adopted an ordinance approving  
22 redevelopment plans and redevelopment projects or designating  
23 redevelopment project areas under this Section, until after  
24 that municipality adopts an ordinance approving redevelopment  
25 plans and redevelopment projects or designating redevelopment

1 project areas under this Section; thereafter the changes made  
2 by this amendatory Act of the 91st General Assembly apply to  
3 the same extent that they apply to redevelopment plans and  
4 redevelopment projects that were approved and redevelopment  
5 projects that were designated before the effective date of this  
6 amendatory Act of the 91st General Assembly.

7 A municipality may:

8 (a) By ordinance introduced in the governing body of the  
9 municipality within 14 to 90 days from the completion of the  
10 hearing specified in Section 11-74.4-5 approve redevelopment  
11 plans and redevelopment projects, and designate redevelopment  
12 project areas pursuant to notice and hearing required by this  
13 Act. No redevelopment project area shall be designated unless a  
14 plan and project are approved prior to the designation of such  
15 area and such area shall include only those contiguous parcels  
16 of real property and improvements thereon substantially  
17 benefited by the proposed redevelopment project improvements.  
18 Upon adoption of the ordinances, the municipality shall  
19 forthwith transmit to the Department of Commerce and Economic  
20 Opportunity, the State Comptroller, and the county clerk of the  
21 county or counties within which the redevelopment project area  
22 is located a certified copy of the ordinances, a legal  
23 description of the redevelopment project area, a map of the  
24 redevelopment project area, identification of the year that the  
25 county clerk shall use for determining the total initial  
26 equalized assessed value of the redevelopment project area

1 consistent with subsection (a) of Section 11-74.4-9, and a list  
2 of the parcel or tax identification number of each parcel of  
3 property included in the redevelopment project area. On and  
4 after January 1, 2013, the State Comptroller must post this  
5 documentation on the State Comptroller's official website.  
6 This information must be posted no later than 45 days after the  
7 State Comptroller receives it from the municipality.  
8 Notwithstanding any other provision of law, in a municipality  
9 with a population exceeding 25,000 inhabitants, no  
10 redevelopment project area may be designated on or after  
11 January 1, 2013 if, as of the anticipated effective date of the  
12 designation, the equalized assessed value of all property in  
13 the redevelopment project area plus the total current equalized  
14 assessed value of all property located in the municipality and  
15 subject to tax increment financing under this Division exceeds  
16 35% of the total equalized assessed value of all property  
17 located in the municipality.

18 (b) Make and enter into all contracts with property owners,  
19 developers, tenants, overlapping taxing bodies, and others  
20 necessary or incidental to the implementation and furtherance  
21 of its redevelopment plan and project. Contract provisions  
22 concerning loan repayment obligations in contracts entered  
23 into on or after the effective date of this amendatory Act of  
24 the 93rd General Assembly shall terminate no later than the  
25 last to occur of the estimated dates of completion of the  
26 redevelopment project and retirement of the obligations issued

1 to finance redevelopment project costs as required by item (3)  
2 of subsection (n) of Section 11-74.4-3. Payments received under  
3 contracts entered into by the municipality prior to the  
4 effective date of this amendatory Act of the 93rd General  
5 Assembly that are received after the redevelopment project area  
6 has been terminated by municipal ordinance shall be deposited  
7 into a special fund of the municipality to be used for other  
8 community redevelopment needs within the redevelopment project  
9 area.

10 (c) Within a redevelopment project area, acquire by  
11 purchase, donation, lease or eminent domain; own, convey,  
12 lease, mortgage or dispose of land and other property, real or  
13 personal, or rights or interests therein, and grant or acquire  
14 licenses, easements and options with respect thereto, all in  
15 the manner and at such price the municipality determines is  
16 reasonably necessary to achieve the objectives of the  
17 redevelopment plan and project. No conveyance, lease,  
18 mortgage, disposition of land or other property owned by a  
19 municipality, or agreement relating to the development of such  
20 municipal property shall be made except upon the adoption of an  
21 ordinance by the corporate authorities of the municipality.  
22 Furthermore, no conveyance, lease, mortgage, or other  
23 disposition of land owned by a municipality or agreement  
24 relating to the development of such municipal property shall be  
25 made without making public disclosure of the terms of the  
26 disposition and all bids and proposals made in response to the



1 municipality's request. The procedures for obtaining such bids  
2 and proposals shall provide reasonable opportunity for any  
3 person to submit alternative proposals or bids.

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

6 (e) Within a redevelopment project area, renovate or  
7 rehabilitate or construct any structure or building, as  
8 permitted under this Act.

9 (f) Install, repair, construct, reconstruct or relocate  
10 streets, utilities and site improvements essential to the  
11 preparation of the redevelopment area for use in accordance  
12 with a redevelopment plan.

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

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

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

22 (j) Incur project redevelopment costs and reimburse  
23 developers who incur redevelopment project costs authorized by  
24 a redevelopment agreement; provided, however, that on and after  
25 the effective date of this amendatory Act of the 91st General  
26 Assembly, no municipality shall incur redevelopment project

1 costs (except for planning costs and any other eligible costs  
2 authorized by municipal ordinance or resolution that are  
3 subsequently included in the redevelopment plan for the area  
4 and are incurred by the municipality after the ordinance or  
5 resolution is adopted) that are not consistent with the program  
6 for accomplishing the objectives of the redevelopment plan as  
7 included in that plan and approved by the municipality until  
8 the municipality has amended the redevelopment plan as provided  
9 elsewhere in this Act.

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

26 (l) Make payment in lieu of taxes or a portion thereof to

1 taxing districts. If payments in lieu of taxes or a portion  
2 thereof are made to taxing districts, those payments shall be  
3 made to all districts within a project redevelopment area on a  
4 basis which is proportional to the current collections of  
5 revenue which each taxing district receives from real property  
6 in the redevelopment project area.

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

9 (n) If any member of the corporate authority, a member of a  
10 commission established pursuant to Section 11-74.4-4(k) of  
11 this Act, or an employee or consultant of the municipality  
12 involved in the planning and preparation of a redevelopment  
13 plan, or project for a redevelopment project area or proposed  
14 redevelopment project area, as defined in Sections  
15 11-74.4-3(i) through (k) of this Act, owns or controls an  
16 interest, direct or indirect, in any property included in any  
17 redevelopment area, or proposed redevelopment area, he or she  
18 shall disclose the same in writing to the clerk of the  
19 municipality, and shall also so disclose the dates and terms  
20 and conditions of any disposition of any such interest, which  
21 disclosures shall be acknowledged by the corporate authorities  
22 and entered upon the minute books of the corporate authorities.  
23 If an individual holds such an interest then that individual  
24 shall refrain from any further official involvement in regard  
25 to such redevelopment plan, project or area, from voting on any  
26 matter pertaining to such redevelopment plan, project or area,

1 or communicating with other members concerning corporate  
2 authorities, commission or employees concerning any matter  
3 pertaining to said redevelopment plan, project or area.  
4 Furthermore, no such member or employee shall acquire of any  
5 interest direct, or indirect, in any property in a  
6 redevelopment area or proposed redevelopment area after either  
7 (a) such individual obtains knowledge of such plan, project or  
8 area or (b) first public notice of such plan, project or area  
9 pursuant to Section 11-74.4-6 of this Division, whichever  
10 occurs first. For the purposes of this subsection, a property  
11 interest acquired in a single parcel of property by a member of  
12 the corporate authority, which property is used exclusively as  
13 the member's primary residence, shall not be deemed to  
14 constitute an interest in any property included in a  
15 redevelopment area or proposed redevelopment area that was  
16 established before December 31, 1989, but the member must  
17 disclose the acquisition to the municipal clerk under the  
18 provisions of this subsection. A single property interest  
19 acquired within one year after the effective date of this  
20 amendatory Act of the 94th General Assembly or 2 years after  
21 the effective date of this amendatory Act of the 95th General  
22 Assembly by a member of the corporate authority does not  
23 constitute an interest in any property included in any  
24 redevelopment area or proposed redevelopment area, regardless  
25 of when the redevelopment area was established, if (i) the  
26 property is used exclusively as the member's primary residence,

1 (ii) the member discloses the acquisition to the municipal  
2 clerk under the provisions of this subsection, (iii) the  
3 acquisition is for fair market value, (iv) the member acquires  
4 the property as a result of the property being publicly  
5 advertised for sale, and (v) the member refrains from voting  
6 on, and communicating with other members concerning, any matter  
7 when the benefits to the redevelopment project or area would be  
8 significantly greater than the benefits to the municipality as  
9 a whole. For the purposes of this subsection, a month-to-month  
10 leasehold interest in a single parcel of property by a member  
11 of the corporate authority shall not be deemed to constitute an  
12 interest in any property included in any redevelopment area or  
13 proposed redevelopment area, but the member must disclose the  
14 interest to the municipal clerk under the provisions of this  
15 subsection.

16 (o) Create a Tax Increment Economic Development Advisory  
17 Committee 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, the members of which Committee shall  
20 be appointed for initial terms of 1, 2, 3, 4 and 5 years  
21 respectively, in such numbers as to provide that the terms of  
22 not more than 1/3 of all such members shall expire in any one  
23 year. Their successors shall be appointed for a term of 5  
24 years. The Committee shall have none of the powers enumerated  
25 in this Section. The Committee shall serve in an advisory  
26 capacity only. The Committee may advise the governing Board of

1 the municipality and other municipal officials regarding  
2 development issues and opportunities within the redevelopment  
3 project area or the area within the State Sales Tax Boundary.  
4 The Committee may also promote and publicize development  
5 opportunities in the redevelopment project area or the area  
6 within the State Sales Tax Boundary.

7 (p) Municipalities may jointly undertake and perform  
8 redevelopment plans and projects and utilize the provisions of  
9 the Act wherever they have contiguous redevelopment project  
10 areas or they determine to adopt tax increment financing with  
11 respect to a redevelopment project area which includes  
12 contiguous real property within the boundaries of the  
13 municipalities, and in doing so, they may, by agreement between  
14 municipalities, issue obligations, separately or jointly, and  
15 expend revenues received under the Act for eligible expenses  
16 anywhere within contiguous redevelopment project areas or as  
17 otherwise permitted in the Act.

18 (q) Utilize revenues, other than State sales tax increment  
19 revenues, received under this Act from one redevelopment  
20 project area for eligible costs in another redevelopment  
21 project area that is:

22 (i) contiguous to the redevelopment project area from  
23 which the revenues are received;

24 (ii) separated only by a public right of way from the  
25 redevelopment project area from which the revenues are  
26 received; or

1           (iii) separated only by forest preserve property from  
2           the redevelopment project area from which the revenues are  
3           received if the closest boundaries of the redevelopment  
4           project areas that are separated by the forest preserve  
5           property are less than one mile apart.

6           Utilize tax increment revenues for eligible costs that are  
7           received from a redevelopment project area created under the  
8           Industrial Jobs Recovery Law that is either contiguous to, or  
9           is separated only by a public right of way from, the  
10          redevelopment project area created under this Act which  
11          initially receives these revenues. Utilize revenues, other  
12          than State sales tax increment revenues, by transferring or  
13          loaning such revenues to a redevelopment project area created  
14          under the Industrial Jobs Recovery Law that is either  
15          contiguous to, or separated only by a public right of way from  
16          the redevelopment project area that initially produced and  
17          received those revenues; and, if the redevelopment project area  
18          (i) was established before the effective date of this  
19          amendatory Act of the 91st General Assembly and (ii) is located  
20          within a municipality with a population of more than 100,000,  
21          utilize revenues or proceeds of obligations authorized by  
22          Section 11-74.4-7 of this Act, other than use or occupation tax  
23          revenues, to pay for any redevelopment project costs as defined  
24          by subsection (q) of Section 11-74.4-3 to the extent that the  
25          redevelopment project costs involve public property that is  
26          either contiguous to, or separated only by a public right of

1 way from, a redevelopment project area whether or not  
2 redevelopment project costs or the source of payment for the  
3 costs are specifically set forth in the redevelopment plan for  
4 the redevelopment project area.

5 On and after January 1, 2013, revenues used pursuant to  
6 this subsection shall be used only for the mutual benefit of  
7 the redevelopment project area that the revenues were received  
8 from and the redevelopment project area to which the revenues  
9 were sent. A redevelopment project area that uses revenues  
10 pursuant to this subsection for reimbursement of private  
11 developer costs may not transfer revenues to another  
12 redevelopment project area before repaying the redevelopment  
13 project area from which the revenues were received.  
14 Notwithstanding the above, in a municipality with a population  
15 of less than 25,000 inhabitants, public works or improvements  
16 as defined in paragraph (4) of subsection (q) of Section  
17 11-74.4-3 shall not be subject to this transfer prohibition.

18 (r) If no redevelopment project has been initiated in a  
19 redevelopment project area within 7 years after the area was  
20 designated by ordinance under subsection (a), the municipality  
21 shall adopt an ordinance repealing the area's designation as a  
22 redevelopment project area; provided, however, that if an area  
23 received its designation more than 3 years before the effective  
24 date of this amendatory Act of 1994 and no redevelopment  
25 project has been initiated within 4 years after the effective  
26 date of this amendatory Act of 1994, the municipality shall



1 adopt an ordinance repealing its designation as a redevelopment  
2 project area. Initiation of a redevelopment project shall be  
3 evidenced by either a signed redevelopment agreement or  
4 expenditures on eligible redevelopment project costs  
5 associated with a redevelopment project.

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

22 (s) Notwithstanding any provision of this Section to the  
23 contrary, the owner or party responsible for the payment of  
24 real estate taxes upon property located within a redevelopment  
25 project area shall retain the right to contest or object in  
26 good faith to the proposed property tax assessment upon that

1 property in any given year during the term of the redevelopment  
2 project area agreement.

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

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

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

6 (a) The changes made by this amendatory Act of the 91st  
7 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 this Section or  
11 (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 Section 11-74.4-4, until  
16 after that municipality adopts an ordinance approving  
17 redevelopment plans and redevelopment projects or designating  
18 redevelopment project areas under Section 11-74.4-4;  
19 thereafter the changes made by this amendatory Act of the 91st  
20 General Assembly apply to the same extent that they apply to  
21 redevelopment plans and redevelopment projects that were  
22 approved and redevelopment projects that were designated  
23 before the effective date of this amendatory Act of the 91st  
24 General Assembly.

25 Prior to the adoption of an ordinance proposing the

1 designation of a redevelopment project area, or approving a  
2 redevelopment plan or redevelopment project, the municipality  
3 by its corporate authorities, or as it may determine by any  
4 commission designated under subsection (k) of Section  
5 11-74.4-4 shall adopt an ordinance or resolution fixing a time  
6 and place for public hearing. At least 10 days prior to the  
7 adoption of the ordinance or resolution establishing the time  
8 and place for the public hearing, the municipality shall make  
9 available for public inspection a redevelopment plan or a  
10 separate report that provides in reasonable detail the basis  
11 for the eligibility of the redevelopment project area. The  
12 report along with the name of a person to contact for further  
13 information shall be sent within a reasonable time after the  
14 adoption of such ordinance or resolution to the affected taxing  
15 districts by certified mail. On and after the effective date of  
16 this amendatory Act of the 91st General Assembly, the  
17 municipality shall print in a newspaper of general circulation  
18 within the municipality a notice that interested persons may  
19 register with the municipality in order to receive information  
20 on the proposed designation of a redevelopment project area or  
21 the approval of a redevelopment plan. The notice shall state  
22 the place of registration and the operating hours of that  
23 place. The municipality shall have adopted reasonable rules to  
24 implement this registration process under Section 11-74.4-4.2.  
25 The municipality shall provide notice of the availability of  
26 the redevelopment plan and eligibility report, including how to

1 obtain this information, by mail within a reasonable time after  
2 the adoption of the ordinance or resolution, to all residential  
3 addresses that, after a good faith effort, the municipality  
4 determines are located outside the proposed redevelopment  
5 project area and within 750 feet of the boundaries of the  
6 proposed redevelopment project area. This requirement is  
7 subject to the limitation that in a municipality with a  
8 population of over 100,000, if the total number of residential  
9 addresses outside the proposed redevelopment project area and  
10 within 750 feet of the boundaries of the proposed redevelopment  
11 project area exceeds 750, the municipality shall be required to  
12 provide the notice to only the 750 residential addresses that,  
13 after a good faith effort, the municipality determines are  
14 outside the proposed redevelopment project area and closest to  
15 the boundaries of the proposed redevelopment project area.  
16 Notwithstanding the foregoing, notice given after August 7,  
17 2001 (the effective date of Public Act 92-263) and before the  
18 effective date of this amendatory Act of the 92nd General  
19 Assembly to residential addresses within 750 feet of the  
20 boundaries of a proposed redevelopment project area shall be  
21 deemed to have been sufficiently given in compliance with this  
22 Act if given only to residents outside the boundaries of the  
23 proposed redevelopment project area. The notice shall also be  
24 provided by the municipality, regardless of its population, to  
25 those organizations and residents that have registered with the  
26 municipality for that information in accordance with the

1 registration guidelines established by the municipality under  
2 Section 11-74.4-4.2.

3 At the public hearing any interested person or affected  
4 taxing district may file with the municipal clerk written  
5 objections to and may be heard orally in respect to any issues  
6 embodied in the notice. The municipality shall hear all  
7 protests and objections at the hearing, granting each witness a  
8 reasonable amount of time for testimony, and the hearing may be  
9 adjourned to another date without further notice other than a  
10 motion to be entered upon the minutes fixing the time and place  
11 of the subsequent hearing. At the public hearing or at any time  
12 prior to the adoption by the municipality of an ordinance  
13 approving a redevelopment plan, the municipality may make  
14 changes in the redevelopment plan. Changes which (1) add  
15 additional parcels of property to the proposed redevelopment  
16 project area, other than parcels to be removed from a  
17 redevelopment project area for the purpose of inclusion in  
18 another redevelopment project area, (2) substantially affect  
19 the general land uses proposed in the redevelopment plan, (3)  
20 substantially change the nature of or extend the life of the  
21 redevelopment project, or (4) increase the number of inhabited  
22 residential units to be displaced from the redevelopment  
23 project area, as measured from the time of creation of the  
24 redevelopment project area, to a total of more than 10, shall  
25 be made only after the municipality gives notice, convenes a  
26 joint review board, and conducts a public hearing pursuant to

1 the procedures set forth in this Section and in Section  
2 11-74.4-6 of this Act. Changes which do not (1) add additional  
3 parcels of property to the proposed redevelopment project area,  
4 other than parcels to be removed from a redevelopment project  
5 area for the purpose of inclusion in another redevelopment  
6 project area, (2) substantially affect the general land uses  
7 proposed in the redevelopment plan, (3) substantially change  
8 the nature of or extend the life of the redevelopment project,  
9 or (4) increase the number of inhabited residential units to be  
10 displaced from the redevelopment project area, as measured from  
11 the time of creation of the redevelopment project area, to a  
12 total of more than 10, may be made without further hearing,  
13 provided that the municipality shall give notice of any such  
14 changes by mail to each affected taxing district and registrant  
15 on the interested parties registry, provided for under Section  
16 11-74.4-4.2, and by publication in a newspaper of general  
17 circulation within the affected taxing district. Such notice by  
18 mail and by publication shall each occur not later than 10 days  
19 following the adoption by ordinance of such changes. Hearings  
20 with regard to a redevelopment project area, project or plan  
21 may be held simultaneously.

22 (b) Prior to holding a public hearing to approve or amend a  
23 redevelopment plan or to designate or add additional parcels of  
24 property to a redevelopment project area, the municipality  
25 shall convene a joint review board. The board shall consist of  
26 a representative selected by each community college district,

1 local elementary school district and high school district or  
2 each local community unit school district, park district,  
3 library district, township, fire protection district, and  
4 county that will have the authority to directly levy taxes on  
5 the property within the proposed redevelopment project area at  
6 the time that the proposed redevelopment project area is  
7 approved, a representative selected by the municipality and a  
8 public member. The public member shall first be selected and  
9 then the board's chairperson shall be selected by a majority of  
10 the board members present and voting.

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

1 redevelopment project area, provided that the redevelopment  
2 plan or project will not result in displacement of residents  
3 from 10 or more inhabited units, and the municipality so  
4 certifies in the plan. If no person satisfying these  
5 requirements is available or if no qualified person will serve  
6 as the public member, then the joint review board is relieved  
7 of this paragraph's selection requirements for the public  
8 member.

9 Within 90 days of the effective date of this amendatory Act  
10 of the 91st General Assembly, each municipality that designated  
11 a redevelopment project area for which it was not required to  
12 convene a joint review board under this Section shall convene a  
13 joint review board to perform the duties specified under  
14 paragraph (e) of this Section.

15 All board members shall be appointed and the first board  
16 meeting shall be held at least 14 days but not more than 28  
17 days after the mailing of notice by the municipality to the  
18 taxing districts as required by Section 11-74.4-6(c).  
19 Notwithstanding the preceding sentence, a municipality that  
20 adopted either a public hearing resolution or a feasibility  
21 resolution between July 1, 1999 and July 1, 2000 that called  
22 for the meeting of the joint review board within 14 days of  
23 notice of public hearing to affected taxing districts is deemed  
24 to be in compliance with the notice, meeting, and public  
25 hearing provisions of the Act. Such notice shall also advise  
26 the taxing bodies represented on the joint review board of the



1 time and place of the first meeting of the board. Additional  
2 meetings of the board shall be held upon the call of any  
3 member. The municipality seeking designation of the  
4 redevelopment project area shall provide administrative  
5 support to the board.

6 The board shall review (i) the public record, planning  
7 documents and proposed ordinances approving the redevelopment  
8 plan and project and (ii) proposed amendments to the  
9 redevelopment plan or additions of parcels of property to the  
10 redevelopment project area to be adopted by the municipality.  
11 As part of its deliberations, the board may hold additional  
12 hearings on the proposal. A board's initial recommendation  
13 shall be an advisory, non-binding recommendation. The  
14 recommendation shall be adopted by a majority of those members  
15 present and voting. The recommendations shall be submitted to  
16 the municipality within 30 days after convening of the board.  
17 Failure of the board to submit its report on a timely basis  
18 shall not be cause to delay the public hearing or any other  
19 step in the process of designating or amending the  
20 redevelopment project area but shall be deemed to constitute  
21 approval by the joint review board of the matters before it.

22 The board shall base its recommendation to approve or  
23 disapprove the redevelopment plan and the designation of the  
24 redevelopment project area or the amendment of the  
25 redevelopment plan or addition of parcels of property to the  
26 redevelopment project area on the basis of the redevelopment

1 project area and redevelopment plan satisfying the plan  
2 requirements, the eligibility criteria defined in Section  
3 11-74.4-3, and the objectives of this Act.

4 The board shall issue a written report describing why the  
5 redevelopment plan and project area or the amendment thereof  
6 meets or fails to meet one or more of the objectives of this  
7 Act and both the plan requirements and the eligibility criteria  
8 defined in Section 11-74.4-3. In the event the Board does not  
9 file a report it shall be presumed that these taxing bodies  
10 find the redevelopment project area and redevelopment plan  
11 satisfy the objectives of this Act and the plan requirements  
12 and eligibility criteria.

13 If the board recommends rejection of the matters before it,  
14 the municipality will have 30 days within which to resubmit the  
15 plan or amendment. During this period, the municipality will  
16 meet and confer with the board and attempt to resolve those  
17 issues set forth in the board's written report that led to the  
18 rejection of the plan or amendment.

19 Notwithstanding the resubmission set forth above, the  
20 municipality may commence the scheduled public hearing and  
21 either adjourn the public hearing or continue the public  
22 hearing until a date certain. Prior to continuing any public  
23 hearing to a date certain, the municipality shall announce  
24 during the public hearing the time, date, and location for the  
25 reconvening of the public hearing. Any changes to the  
26 redevelopment plan necessary to satisfy the issues set forth in

1 the joint review board report shall be the subject of a public  
2 hearing before the hearing is adjourned if the changes would  
3 (1) substantially affect the general land uses proposed in the  
4 redevelopment plan, (2) substantially change the nature of or  
5 extend the life of the redevelopment project, or (3) increase  
6 the number of inhabited residential units to be displaced from  
7 the redevelopment project area, as measured from the time of  
8 creation of the redevelopment project area, to a total of more  
9 than 10. Changes to the redevelopment plan necessary to satisfy  
10 the issues set forth in the joint review board report shall not  
11 require any further notice or convening of a joint review board  
12 meeting, except that any changes to the redevelopment plan that  
13 would add additional parcels of property to the proposed  
14 redevelopment project area shall be subject to the notice,  
15 public hearing, and joint review board meeting requirements  
16 established for such changes by subsection (a) of Section  
17 11-74.4-5.

18 Before January 1, 2013, in ~~in~~ the event that the  
19 municipality and the board are unable to resolve these  
20 differences, or in the event that the resubmitted plan or  
21 amendment is rejected by the board, the municipality may  
22 proceed with the plan or amendment, but only upon a  
23 three-fifths vote of the corporate authority responsible for  
24 approval of the plan or amendment, excluding positions of  
25 members that are vacant and those members that are ineligible  
26 to vote because of conflicts of interest.

1       On and after January 1, 2013, in the event that a  
2 resubmitted plan or amendment is rejected at the reconvened  
3 joint review board meeting by a three-fifths vote of all taxing  
4 districts and the public members, if elected, that constitute  
5 the joint review board, with each member having an equal vote,  
6 the municipality may not proceed with the plan or amendment.  
7 Each taxing district voting to reject a plan or amendment shall  
8 send documentation explaining its opposition to the State  
9 Comptroller. The State Comptroller must post this  
10 documentation on the State Comptroller's official website.  
11 This information must be posted no later than 45 days after the  
12 State Comptroller receives the information from the taxing  
13 districts.

14       (c) After a municipality has by ordinance approved a  
15 redevelopment plan and designated a redevelopment project  
16 area, the plan may be amended and additional properties may be  
17 added to the redevelopment project area only as herein  
18 provided. Amendments which (1) add additional parcels of  
19 property to the proposed redevelopment project area, (2)  
20 substantially affect the general land uses proposed in the  
21 redevelopment plan, (3) substantially change the nature of the  
22 redevelopment project, (4) increase the total estimated  
23 redevelopment project costs set out in the redevelopment plan  
24 by more than 5% after adjustment for inflation from the date  
25 the plan was adopted, (5) add additional redevelopment project  
26 costs to the itemized list of redevelopment project costs set

1 out in the redevelopment plan, or (6) increase the number of  
2 inhabited residential units to be displaced from the  
3 redevelopment project area, as measured from the time of  
4 creation of the redevelopment project area, to a total of more  
5 than 10, shall be made only after the municipality gives  
6 notice, convenes a joint review board, and conducts a public  
7 hearing pursuant to the procedures set forth in this Section  
8 and in Section 11-74.4-6 of this Act. Changes which do not (1)  
9 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 cost set  
14 out in the redevelopment plan by more than 5% after adjustment  
15 for inflation from the date the plan was adopted, (5) add  
16 additional redevelopment project costs to the itemized list of  
17 redevelopment project costs set out in the redevelopment plan,  
18 or (6) increase the number of inhabited residential units to be  
19 displaced from the redevelopment project area, as measured from  
20 the time of creation of the redevelopment project area, to a  
21 total of more than 10, may be made without further public  
22 hearing and related notices and procedures including the  
23 convening of a joint review board as set forth in Section  
24 11-74.4-6 of this Act, provided that the municipality shall  
25 give notice of any such changes by mail to each affected taxing  
26 district and registrant on the interested parties registry,

1 provided for under Section 11-74.4-4.2, and by publication in a  
2 newspaper of general circulation within the affected taxing  
3 district. Such notice by mail and by publication shall each  
4 occur not later than 10 days following the adoption by  
5 ordinance of such changes.

6 (d) After the effective date of this amendatory Act of the  
7 91st General Assembly, a municipality shall submit in an  
8 electronic format the following information for each  
9 redevelopment project area (i) to the State Comptroller under  
10 Section 8-8-3.5 of the Illinois Municipal Code and (ii) to all  
11 taxing districts overlapping the redevelopment project area no  
12 later than 180 days after the close of each municipal fiscal  
13 year or as soon thereafter as the audited financial statements  
14 become available and, in any case, shall be submitted before  
15 the annual meeting of the Joint Review Board to each of the  
16 taxing districts that overlap the redevelopment project area:

17 (1) Any amendments to the redevelopment plan, the  
18 redevelopment project area, or the State Sales Tax  
19 Boundary.

20 (1.5) A list of the redevelopment project areas  
21 administered by the municipality and, if applicable, the  
22 date each redevelopment project area was designated or  
23 terminated by the municipality.

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

1           (3) Certification of the Chief Executive Officer of the  
2 municipality that the municipality has complied with all of  
3 the requirements of this Act during the preceding fiscal  
4 year.

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

7           (5) An analysis of the special tax allocation fund  
8 which sets forth:

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

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

14                   (C) an itemized list of all expenditures from the  
15 special tax allocation fund by category of permissible  
16 redevelopment project cost, including any amounts  
17 transferred to another redevelopment project area; and

18                   (D) the balance in the special tax allocation fund  
19 at the end of the fiscal year including a breakdown of  
20 that balance by source and a breakdown of that balance  
21 identifying any portion of the balance that is  
22 required, pledged, earmarked, or otherwise designated  
23 for payment of or securing of obligations and  
24 anticipated redevelopment project costs. Any portion  
25 of such ending balance that has not been identified or  
26 is not identified as being required, pledged,

1           earmarked, or otherwise designated for payment of or  
2           securing of obligations or anticipated redevelopment  
3           projects costs shall be designated as surplus as set  
4           forth in Section 11-74.4-7 hereof. Beginning on  
5           January 1, 2013, all accumulated tax incremental  
6           revenues that have not been designated for use for a  
7           specific development project or other specified  
8           anticipated use shall be designated as surplus.  
9           Beginning on January 1, 2013, all accumulated tax  
10          incremental revenues that have been designated for use  
11          for a specific development project or other specified  
12          use but that have not been used for that project or use  
13          shall be designated as surplus after 10 years.

14           (6) A description of all property purchased by the  
15          municipality within the redevelopment project area  
16          including:

17                   (A) Street address.

18                   (B) Approximate size or description of property.

19                   (C) Purchase price.

20                   (D) Seller of property.

21           (7) A statement setting forth all activities  
22          undertaken in furtherance of the objectives of the  
23          redevelopment plan, including:

24                   (A) Any project implemented in the preceding  
25          fiscal year.

26                   (B) A description of the redevelopment activities



1           undertaken.

2           (C) A description of any agreements entered into by  
3           the municipality with regard to the disposition or  
4           redevelopment of any property within the redevelopment  
5           project area or the area within the State Sales Tax  
6           Boundary.

7           (D) Additional information on the use of all funds  
8           received under this Division and steps taken by the  
9           municipality to achieve the objectives of the  
10          redevelopment plan.

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

17          (F) Any reports submitted to the municipality by  
18          the joint review board.

19          (G) A review of public and, to the extent possible,  
20          private investment actually undertaken to date after  
21          the effective date of this amendatory Act of the 91st  
22          General Assembly and estimated to be undertaken during  
23          the following year. This review shall, on a  
24          project-by-project basis, set forth the estimated  
25          amounts of public and private investment incurred  
26          after the effective date of this amendatory Act of the

1           91st General Assembly and provide the ratio of private  
2           investment to public investment to the date of the  
3           report and as estimated to the completion of the  
4           redevelopment project.

5           (8) With regard to any obligations issued by the  
6           municipality:

7                     (A) copies of any official statements; and

8                     (B) an analysis prepared by financial advisor or  
9           underwriter setting forth: (i) nature and term of  
10          obligation; and (ii) projected debt service including  
11          required reserves and debt coverage.

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

1 subsection (q) of Section 11-74.4-3. For redevelopment  
2 plans or projects that would result in the displacement of  
3 residents from 10 or more inhabited residential units or  
4 that contain 75 or more inhabited residential units, notice  
5 of the availability of the information, including how to  
6 obtain the report, required in this subsection shall also  
7 be sent by mail to all residents or organizations that  
8 operate in the municipality that register with the  
9 municipality for that information according to  
10 registration procedures adopted under Section 11-74.4-4.2.  
11 All municipalities are subject to this provision.

12 (10) A list of all intergovernmental agreements in  
13 effect during the fiscal year to which the municipality is  
14 a party and an accounting of any moneys transferred or  
15 received by the municipality during that fiscal year  
16 pursuant to those intergovernmental agreements.

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

23 (d-1) Prior to the effective date of this amendatory Act of  
24 the 91st General Assembly, municipalities with populations of  
25 over 1,000,000 shall, after adoption of a redevelopment plan or  
26 project, make available upon request to any taxing district in

1 which the redevelopment project area is located the following  
2 information:

3 (1) Any amendments to the redevelopment plan, the  
4 redevelopment project area, or the State Sales Tax  
5 Boundary; and

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

11 (e) The joint review board shall meet annually 180 days  
12 after the close of the municipal fiscal year or as soon as the  
13 redevelopment project audit for that fiscal year becomes  
14 available to review the effectiveness and status of the  
15 redevelopment project area up to that date.

16 (f) (Blank).

17 (g) In the event that a municipality has held a public  
18 hearing under this Section prior to March 14, 1994 (the  
19 effective date of Public Act 88-537), the requirements imposed  
20 by Public Act 88-537 relating to the method of fixing the time  
21 and place for public hearing, the materials and information  
22 required to be made available for public inspection, and the  
23 information required to be sent after adoption of an ordinance  
24 or resolution fixing a time and place for public hearing shall  
25 not be applicable.

26 (h) On and after the effective date of this amendatory Act

1 of the 96th General Assembly, the State Comptroller must post  
2 on the State Comptroller's official website the information  
3 submitted by a municipality pursuant to subsection (d) of this  
4 Section. The information must be posted no later than 45 days  
5 after the State Comptroller receives the information from the  
6 municipality. The State Comptroller must also post a list of  
7 the municipalities not in compliance with the reporting  
8 requirements set forth in subsection (d) of this Section.

9 (i) No later than 10 years after the corporate authorities  
10 of a municipality adopt an ordinance to establish a  
11 redevelopment project area, the municipality must compile a  
12 status report concerning the redevelopment project area. The  
13 status report must detail without limitation the following: (i)  
14 the amount of revenue generated within the redevelopment  
15 project area, (ii) any expenditures made by the municipality  
16 for the redevelopment project area including without  
17 limitation expenditures from the special tax allocation fund,  
18 (iii) the status of planned activities, goals, and objectives  
19 set forth in the redevelopment plan including details on new or  
20 planned construction within the redevelopment project area,  
21 (iv) the amount of private and public investment within the  
22 redevelopment project area, and (v) any other relevant  
23 evaluation or performance data. Within 30 days after the  
24 municipality compiles the status report, the municipality must  
25 hold at least one public hearing concerning the report. The  
26 municipality must provide 20 days' public notice of the

1 hearing.

2 (j) Beginning in fiscal year 2011 and in each fiscal year  
3 thereafter, a municipality must detail in its annual budget (i)  
4 the revenues generated from redevelopment project areas by  
5 source and (ii) the expenditures made by the municipality for  
6 redevelopment project areas.

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

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

21 (65 ILCS 5/11-74.6-15)

22 Sec. 11-74.6-15. Municipal Powers and Duties. A  
23 municipality may:

24 (a) By ordinance introduced in the governing body of the  
25 municipality within 14 to 90 days from the final adjournment of

1 the hearing specified in Section 11-74.6-22, approve  
2 redevelopment plans and redevelopment projects, and designate  
3 redevelopment planning areas and redevelopment project areas  
4 pursuant to notice and hearing required by this Act. No  
5 redevelopment planning area or redevelopment project area  
6 shall be designated unless a plan and project are approved  
7 before the designation of the area and the area shall include  
8 only those parcels of real property and improvements on those  
9 parcels substantially benefited by the proposed redevelopment  
10 project improvements. Upon adoption of the ordinances, the  
11 municipality shall forthwith transmit to the Department of  
12 Commerce and Economic Opportunity, the State Comptroller, and  
13 the county clerk of the county or counties within which the  
14 redevelopment project area is located a certified copy of the  
15 ordinances, a legal description of the redevelopment project  
16 area, a map of the redevelopment project area, identification  
17 of the year that the county clerk shall use for determining the  
18 total initial equalized assessed value of the redevelopment  
19 project area consistent with subsection (a) of Section  
20 11-74.6-40, and a list of the parcel or tax identification  
21 number of each parcel of property included in the redevelopment  
22 project area. On or after January 1, 2013, the State  
23 Comptroller must post this documentation on the State  
24 Comptroller's official website. This information must be  
25 posted no later than 45 days after the State Comptroller  
26 receives it from the municipality. Notwithstanding any other

1 provision of law, in a municipality with a population exceeding  
2 25,000 inhabitants, no redevelopment project area may be  
3 designated on or after January 1, 2013 if, as of the effective  
4 date of the designation, the equalized assessed value of all  
5 property in the redevelopment project area plus the total  
6 current equalized assessed value of all property located in the  
7 municipality and subject to tax increment financing under this  
8 Division exceeds 35% of the total equalized assessed value of  
9 all property located in the municipality.

10 (b) Make and enter into all contracts necessary or  
11 incidental to the implementation and furtherance of its  
12 redevelopment plan and project.

13 (c) Within a redevelopment project area, acquire by  
14 purchase, donation, lease or eminent domain; own, convey,  
15 lease, mortgage or dispose of land and other property, real or  
16 personal, or rights or interests therein, and grant or acquire  
17 licenses, easements and options with respect to that property,  
18 all in the manner and at a price that the municipality  
19 determines is reasonably necessary to achieve the objectives of  
20 the redevelopment plan and project. No conveyance, lease,  
21 mortgage, disposition of land or other property owned by a  
22 municipality, or agreement relating to the development of the  
23 municipal property shall be made or executed except pursuant to  
24 prior official action of the corporate authorities of the  
25 municipality. No conveyance, lease, mortgage, or other  
26 disposition of land owned by a municipality, and no agreement



1 relating to the development of the municipal property, shall be  
2 made without making public disclosure of the terms and the  
3 disposition of all bids and proposals submitted to the  
4 municipality in connection therewith. The procedures for  
5 obtaining the bids and proposals shall provide reasonable  
6 opportunity for any person to submit alternative proposals or  
7 bids.

8 (d) Within a redevelopment project area, clear any area by  
9 demolition or removal of any existing buildings, structures,  
10 fixtures, utilities or improvements, and to clear and grade  
11 land.

12 (e) Within a redevelopment project area, renovate or  
13 rehabilitate or construct any structure or building, as  
14 permitted under this Law.

15 (f) Within or without a redevelopment project area,  
16 install, repair, construct, reconstruct or relocate streets,  
17 utilities and site improvements essential to the preparation of  
18 the redevelopment area for use in accordance with a  
19 redevelopment plan.

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

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

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

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

3           (k) Incur, pay or cause to be paid redevelopment project  
4 costs; provided, however, that on and after the effective date  
5 of this amendatory Act of the 91st General Assembly, no  
6 municipality shall incur redevelopment project costs (except  
7 for planning and other eligible costs authorized by municipal  
8 ordinance or resolution that are subsequently included in the  
9 redevelopment plan for the area and are incurred after the  
10 ordinance or resolution is adopted) that are not consistent  
11 with the program for accomplishing the objectives of the  
12 redevelopment plan as included in that plan and approved by the  
13 municipality until the municipality has amended the  
14 redevelopment plan as provided elsewhere in this Law. Any  
15 payments to be made by the municipality to redevelopers or  
16 other nongovernmental persons for redevelopment project costs  
17 incurred by such redeveloper or other nongovernmental person  
18 shall be made only pursuant to the prior official action of the  
19 municipality evidencing an intent to pay or cause to be paid  
20 such redevelopment project costs. A municipality is not  
21 required to obtain any right, title or interest in any real or  
22 personal property in order to pay redevelopment project costs  
23 associated with such property. The municipality shall adopt  
24 such accounting procedures as may be necessary to determine  
25 that such redevelopment project costs are properly paid.

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

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

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

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

24 (o) In conjunction with other municipalities, undertake  
25 and perform redevelopment plans and projects and utilize the  
26 provisions of the Act wherever they have contiguous

1 redevelopment project areas or they determine to adopt tax  
2 increment allocation financing with respect to a redevelopment  
3 project area that includes contiguous real property within the  
4 boundaries of the municipalities, and, by agreement between  
5 participating municipalities, to issue obligations, separately  
6 or jointly, and expend revenues received under this Act for  
7 eligible expenses anywhere within contiguous redevelopment  
8 project areas or as otherwise permitted in the Act. Two or more  
9 municipalities may designate a joint redevelopment project  
10 area under this subsection (o) for a single Industrial Park  
11 Conservation Area comprising of property within or near the  
12 boundaries of each municipality if: (i) both municipalities are  
13 located within the same Metropolitan Statistical Area, as  
14 defined by the United States Office of Management and Budget,  
15 (ii) the 4-year average unemployment rate for that Metropolitan  
16 Statistical Area was at least 11.3%, and (iii) at least one  
17 participating municipality demonstrates that it has made  
18 commitments to acquire capital assets to commence the project  
19 and that the acquisition will occur on or before December 31,  
20 2011. The joint redevelopment project area must encompass an  
21 interstate highway exchange for access and be located, in part,  
22 adjacent to a landfill or other solid waste disposal facility.

23 (p) Create an Industrial Jobs Recovery Advisory Committee  
24 of not more than 15 members to be appointed by the mayor or  
25 president of the municipality with the consent of the majority  
26 of the governing board of the municipality. The members of that

1 Committee shall be appointed for initial terms of 1, 2, and 3  
2 years respectively, in numbers so that the terms of not more  
3 than 1/3 of all members expire in any one year. Their  
4 successors shall be appointed for a term of 3 years. The  
5 Committee shall have none of the powers enumerated in this  
6 Section. The Committee shall serve in an advisory capacity  
7 only. The Committee may advise the governing board of the  
8 municipality and other municipal officials regarding  
9 development issues and opportunities within the redevelopment  
10 project area. The Committee may also promote and publicize  
11 development opportunities in the redevelopment project area.

12 (q) If a redevelopment project has not been initiated in a  
13 redevelopment project area within 5 years after the area was  
14 designated by ordinance under subsection (a), the municipality  
15 shall adopt an ordinance repealing the area's designation as a  
16 redevelopment project area. Initiation of a redevelopment  
17 project shall be evidenced by either a signed redevelopment  
18 agreement or expenditures on eligible redevelopment project  
19 costs associated with a redevelopment project.

20 (r) Within a redevelopment planning area, transfer or loan  
21 tax increment revenues from one redevelopment project area to  
22 another redevelopment project area for expenditure on eligible  
23 costs in the receiving area.

24 (s) Use tax increment revenue produced in a redevelopment  
25 project area created under this Law by transferring or loaning  
26 such revenues to a redevelopment project area created under the

1 Tax Increment Allocation Redevelopment Act that is either  
2 contiguous to, or separated only by a public right of way from,  
3 the redevelopment project area that initially produced and  
4 received those revenues. On and after January 1, 2013, revenues  
5 used pursuant to this subsection shall be used only for the  
6 mutual benefit of the redevelopment project area that the  
7 revenues were received from and the redevelopment project area  
8 to which the revenues were sent. A redevelopment project area  
9 that uses revenues pursuant to this subsection for  
10 reimbursement of private developer costs may not transfer  
11 revenues to another redevelopment project area before repaying  
12 the redevelopment project area from which the revenues were  
13 received. Notwithstanding the above, in a municipality with a  
14 population of less than 25,000 inhabitants, public works or  
15 improvements as defined in paragraph (4) of subsection (q) of  
16 Section 11-74.4-3 shall not be subject to this transfer  
17 prohibition.

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

19 (65 ILCS 5/11-74.6-22)

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

22 (a) Before adoption of an ordinance proposing the  
23 designation of a redevelopment planning area or a redevelopment  
24 project area, or both, or approving a redevelopment plan or  
25 redevelopment project, the municipality or commission

1 designated pursuant to subsection (1) of Section 11-74.6-15  
2 shall fix by ordinance or resolution a time and place for  
3 public hearing. Prior to the adoption of the ordinance or  
4 resolution establishing the time and place for the public  
5 hearing, the municipality shall make available for public  
6 inspection a redevelopment plan or a report that provides in  
7 sufficient detail, the basis for the eligibility of the  
8 redevelopment project area. The report along with the name of a  
9 person to contact for further information shall be sent to the  
10 affected taxing district by certified mail within a reasonable  
11 time following the adoption of the ordinance or resolution  
12 establishing the time and place for the public hearing.

13 At the public hearing any interested person or affected  
14 taxing district may file with the municipal clerk written  
15 objections to the ordinance and may be heard orally on any  
16 issues that are the subject of the hearing. The municipality  
17 shall hear and determine all alternate proposals or bids for  
18 any proposed conveyance, lease, mortgage or other disposition  
19 of land and all protests and objections at the hearing and the  
20 hearing may be adjourned to another date without further notice  
21 other than a motion to be entered upon the minutes fixing the  
22 time and place of the later hearing. At the public hearing or  
23 at any time prior to the adoption by the municipality of an  
24 ordinance approving a redevelopment plan, the municipality may  
25 make changes in the redevelopment plan. Changes which (1) add  
26 additional parcels of property to the proposed redevelopment

1 project area, other than parcels to be removed from a  
2 redevelopment project area for the purpose of inclusion in  
3 another redevelopment project area, (2) substantially affect  
4 the general land uses proposed in the redevelopment plan, or  
5 (3) substantially change the nature of or extend the life of  
6 the redevelopment project shall be made only after the  
7 municipality gives notice, convenes a joint review board, and  
8 conducts a public hearing pursuant to the procedures set forth  
9 in this Section and in Section 11-74.6-25. Changes which do not  
10 (1) add additional parcels of property to the proposed  
11 redevelopment project area, other than parcels to be removed  
12 from a redevelopment project area for the purpose of inclusion  
13 in another redevelopment project area, (2) substantially  
14 affect the general land uses proposed in the redevelopment  
15 plan, or (3) substantially change the nature of or extend the  
16 life of the redevelopment project may be made without further  
17 hearing, provided that the municipality shall give notice of  
18 any such changes by mail to each affected taxing district and  
19 by publication once in a newspaper of general circulation  
20 within the affected taxing district. Such notice by mail and by  
21 publication shall each occur not later than 10 days following  
22 the adoption by ordinance of such changes.

23 (b) Before adoption of an ordinance proposing the  
24 designation of a redevelopment planning area or a redevelopment  
25 project area, or both, or amending the boundaries of an  
26 existing redevelopment project area or redevelopment planning



1 area, or both, the municipality shall convene a joint review  
2 board to consider the proposal. The board shall consist of a  
3 representative selected by each taxing district that has  
4 authority to levy real property taxes on the property within  
5 the proposed redevelopment project area and that has at least  
6 5% of its total equalized assessed value located within the  
7 proposed redevelopment project area, a representative selected  
8 by the municipality and a public member. The public member and  
9 the board's chairperson shall be selected by a majority of  
10 other board members.

11 All board members shall be appointed and the first board  
12 meeting held within 14 days following the notice by the  
13 municipality to all the taxing districts as required by  
14 subsection (c) of Section 11-74.6-25. The notice shall also  
15 advise the taxing bodies represented on the joint review board  
16 of the time and place of the first meeting of the board.  
17 Additional meetings of the board shall be held upon the call of  
18 any 2 members. The municipality seeking designation of the  
19 redevelopment project area may provide administrative support  
20 to the board.

21 The board shall review the public record, planning  
22 documents and proposed ordinances approving the redevelopment  
23 plan and project to be adopted by the municipality. As part of  
24 its deliberations, the board may hold additional hearings on  
25 the proposal. A board's recommendation, if any, shall be a  
26 written recommendation adopted by a majority vote of the board

1 and submitted to the municipality within 30 days after the  
2 board convenes. A board's recommendation shall be binding upon  
3 the municipality. Failure of the board to submit its  
4 recommendation on a timely basis shall not be cause to delay  
5 the public hearing or the process of establishing or amending  
6 the redevelopment project area. The board's recommendation on  
7 the proposal shall be based upon the area satisfying the  
8 applicable eligibility criteria defined in Section 11-74.6-10  
9 and whether there is a basis for the municipal findings set  
10 forth in the redevelopment plan as required by this Act. If the  
11 board does not file a recommendation it shall be presumed that  
12 the board has found that the redevelopment project area  
13 satisfies the eligibility criteria.

14 (c) After a municipality has by ordinance approved a  
15 redevelopment plan and designated a redevelopment planning  
16 area or a redevelopment project area, or both, the plan may be  
17 amended and additional properties may be added to the  
18 redevelopment project area only as herein provided. Amendments  
19 which (1) add additional parcels of property to the proposed  
20 redevelopment project area, (2) substantially affect the  
21 general land uses proposed in the redevelopment plan, (3)  
22 substantially change the nature of the redevelopment project,  
23 (4) increase the total estimated redevelopment project costs  
24 set out in the redevelopment plan by more than 5% after  
25 adjustment for inflation from the date the plan was adopted, or  
26 (5) add additional redevelopment project costs to the itemized

1 list of redevelopment project costs set out in the  
2 redevelopment plan shall be made only after the municipality  
3 gives notice, convenes a joint review board, and conducts a  
4 public hearing pursuant to the procedures set forth in this  
5 Section and in Section 11-74.6-25. Changes which do not (1) add  
6 additional parcels of property to the proposed redevelopment  
7 project area, (2) substantially affect the general land uses  
8 proposed in the redevelopment plan, (3) substantially change  
9 the nature of the redevelopment project, (4) increase the total  
10 estimated redevelopment project cost set out in the  
11 redevelopment plan by more than 5% after adjustment for  
12 inflation from the date the plan was adopted, or (5) add  
13 additional redevelopment project costs to the itemized list of  
14 redevelopment project costs set out in the redevelopment plan  
15 may be made without further hearing, provided that the  
16 municipality shall give notice of any such changes by mail to  
17 each affected taxing district and by publication once 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, or the  
8 redevelopment project area.

9 (1.5) A list of the redevelopment project areas  
10 administered by the municipality and, if applicable, the  
11 date each redevelopment project area was designated or  
12 terminated by the municipality.

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

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

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

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

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

26 (B) all amounts deposited in the special tax

1 allocation fund by source, including any amounts  
2 received from another redevelopment project area;

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

7 (D) the balance in the special tax allocation fund  
8 at the end of the fiscal year including a breakdown of  
9 that balance by source and a breakdown of that balance  
10 identifying any portion of the balance that is  
11 required, pledged, earmarked, or otherwise designated  
12 for payment of or securing of obligations and  
13 anticipated redevelopment project costs. Any portion  
14 of such ending balance that has not been identified or  
15 is not identified as being required, pledged,  
16 earmarked, or otherwise designated for payment of or  
17 securing of obligations or anticipated redevelopment  
18 project costs shall be designated as surplus as set  
19 forth in Section 11-74.6-30 hereof. Beginning on  
20 January 1, 2013, all accumulated tax incremental  
21 revenues that have not been designated for use for a  
22 specific development project or other specified  
23 anticipated use shall be designated as surplus.  
24 Beginning on January 1, 2013, all accumulated tax  
25 incremental revenues that have been designated for use  
26 for a specific development project or other specified

1           use but that have not been used for that project or use  
2           shall be designated as surplus after 10 years.

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

6                   (A) Street address.

7                   (B) Approximate size or description of property.

8                   (C) Purchase price.

9                   (D) Seller of property.

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

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

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

17                   (C) A description of any agreements entered into by  
18                   the municipality with regard to the disposition or  
19                   redevelopment of any property within the redevelopment  
20                   project area.

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

25                   (E) Information regarding contracts that the  
26                   municipality's tax increment advisors or consultants

1           have entered into with entities or persons that have  
2           received, or are receiving, payments financed by tax  
3           increment revenues produced by the same redevelopment  
4           project area.

5           (F) Any reports submitted to the municipality by  
6           the joint review board.

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

19          (8) With regard to any obligations issued by the  
20          municipality:

21                 (A) copies of any official statements; and

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

26          (9) For special tax allocation funds that have received

1 cumulative deposits of incremental tax revenues of  
2 \$100,000 or more, a certified audit report reviewing  
3 compliance with this Act performed by an independent public  
4 accountant certified and licensed by the authority of the  
5 State of Illinois. The financial portion of the audit must  
6 be conducted in accordance with Standards for Audits of  
7 Governmental Organizations, Programs, Activities, and  
8 Functions adopted by the Comptroller General of the United  
9 States (1981), as amended, or the standards specified by  
10 Section 8-8-5 of the Illinois Municipal Auditing Law of the  
11 Illinois Municipal Code. The audit report shall contain a  
12 letter from the independent certified public accountant  
13 indicating compliance or noncompliance with the  
14 requirements of subsection (o) of Section 11-74.6-10.

15 (10) A list of all intergovernmental agreements  
16 relating to the redevelopment project area in effect during  
17 the fiscal year to which the municipality is a party and an  
18 accounting of any moneys transferred or received by the  
19 municipality during that fiscal year pursuant to those  
20 intergovernmental agreements.

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



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) On and after January 1, 2013, the State Comptroller  
7 must post on the State Comptroller's official website the  
8 information submitted by a municipality pursuant to subsection  
9 (d) of this Section. The information must be posted no later  
10 than 45 days after the State Comptroller receives the  
11 information from the municipality. The State Comptroller must  
12 also post a list of the municipalities not in compliance with  
13 the reporting requirements set forth in subsection (d) of this  
14 Section.

15           (g) The State Comptroller may charge a municipality an  
16 annual fee for the Comptroller's costs related to the  
17 requirements of this Act. The aggregate total of fees charged  
18 to any municipality in any year under this subsection shall not  
19 exceed \$5,000 for a municipality with a population in excess of  
20 2,000,000 inhabitants, \$1,000 for a municipality with a  
21 population in excess of 100,000 inhabitants but not more than  
22 2,000,000 inhabitants, \$500 for a municipality with a  
23 population in excess of 50,000 inhabitants but not more than  
24 100,000 inhabitants, and \$250 for a municipality with a  
25 population of not more than 50,000 inhabitants. All fees  
26 collected under this subsection shall be deposited into the

1 Comptroller's Administrative Fund.

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

3 Section 20. The School Code is amended by changing Section  
4 18-8.05 as follows:

5 (105 ILCS 5/18-8.05)

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

9 (A) General Provisions.

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

1 district's Average Daily Attendance as that term is defined in  
2 this Section.

3 (2) In addition to general State financial aid, school  
4 districts with specified levels or concentrations of pupils  
5 from low income households are eligible to receive supplemental  
6 general State financial aid grants as provided pursuant to  
7 subsection (H). The supplemental State aid grants provided for  
8 school districts under subsection (H) shall be appropriated for  
9 distribution to school districts as part of the same line item  
10 in which the general State financial aid of school districts is  
11 appropriated under this Section.

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

15 (a) Any school district which fails for any given  
16 school year to maintain school as required by law, or to  
17 maintain a recognized school is not eligible to file for  
18 such school year any claim upon the Common School Fund. In  
19 case of nonrecognition of one or more attendance centers in  
20 a school district otherwise operating recognized schools,  
21 the claim of the district shall be reduced in the  
22 proportion which the Average Daily Attendance in the  
23 attendance center or centers bear to the Average Daily  
24 Attendance in the school district. A "recognized school"  
25 means any public school which meets the standards as  
26 established for recognition by the State Board of

1 Education. A school district or attendance center not  
2 having recognition status at the end of a school term is  
3 entitled to receive State aid payments due upon a legal  
4 claim which was filed while it was recognized.

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

8 (c) If a school district operates a full year school  
9 under Section 10-19.1, the general State aid to the school  
10 district shall be determined by the State Board of  
11 Education in accordance with this Section as near as may be  
12 applicable.

13 (d) (Blank).

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

18 School districts are not required to exert a minimum  
19 Operating Tax Rate in order to qualify for assistance under  
20 this Section.

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

23 (a) "Average Daily Attendance": A count of pupil  
24 attendance in school, averaged as provided for in  
25 subsection (C) and utilized in deriving per pupil financial  
26 support levels.

1           (b) "Available Local Resources": A computation of  
2           local financial support, calculated on the basis of Average  
3           Daily Attendance and derived as provided pursuant to  
4           subsection (D).

5           (c) "Corporate Personal Property Replacement Taxes":  
6           Funds paid to local school districts pursuant to "An Act in  
7           relation to the abolition of ad valorem personal property  
8           tax and the replacement of revenues lost thereby, and  
9           amending and repealing certain Acts and parts of Acts in  
10          connection therewith", certified August 14, 1979, as  
11          amended (Public Act 81-1st S.S.-1).

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

14          (e) "Operating Tax Rate": All school district property  
15          taxes extended for all purposes, except Bond and Interest,  
16          Summer School, Rent, Capital Improvement, and Vocational  
17          Education Building purposes.

18        (B) Foundation Level.

19           (1) The Foundation Level is a figure established by the  
20           State representing the minimum level of per pupil financial  
21           support that should be available to provide for the basic  
22           education of each pupil in Average Daily Attendance. As set  
23           forth in this Section, each school district is assumed to exert  
24           a sufficient local taxing effort such that, in combination with  
25           the aggregate of general State financial aid provided the

1 district, an aggregate of State and local resources are  
2 available to meet the basic education needs of pupils in the  
3 district.

4 (2) For the 1998-1999 school year, the Foundation Level of  
5 support is \$4,225. For the 1999-2000 school year, the  
6 Foundation Level of support is \$4,325. For the 2000-2001 school  
7 year, the Foundation Level of support is \$4,425. For the  
8 2001-2002 school year and 2002-2003 school year, the Foundation  
9 Level of support is \$4,560. For the 2003-2004 school year, the  
10 Foundation Level of support is \$4,810. For the 2004-2005 school  
11 year, the Foundation Level of support is \$4,964. For the  
12 2005-2006 school year, the Foundation Level of support is  
13 \$5,164. For the 2006-2007 school year, the Foundation Level of  
14 support is \$5,334. For the 2007-2008 school year, the  
15 Foundation Level of support is \$5,734. For the 2008-2009 school  
16 year, the Foundation Level of support is \$5,959.

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

21 (C) Average Daily Attendance.

22 (1) For purposes of calculating general State aid pursuant  
23 to subsection (E), an Average Daily Attendance figure shall be  
24 utilized. The Average Daily Attendance figure for formula  
25 calculation purposes shall be the monthly average of the actual

1 number of pupils in attendance of each school district, as  
2 further averaged for the best 3 months of pupil attendance for  
3 each school district. In compiling the figures for the number  
4 of pupils in attendance, school districts and the State Board  
5 of Education shall, for purposes of general State aid funding,  
6 conform attendance figures to the requirements of subsection  
7 (F).

8 (2) The Average Daily Attendance figures utilized in  
9 subsection (E) shall be the requisite attendance data for the  
10 school year immediately preceding the school year for which  
11 general State aid is being calculated or the average of the  
12 attendance data for the 3 preceding school years, whichever is  
13 greater. The Average Daily Attendance figures utilized in  
14 subsection (H) shall be the requisite attendance data for the  
15 school year immediately preceding the school year for which  
16 general State aid is being calculated.

17 (D) Available Local Resources.

18 (1) For purposes of calculating general State aid pursuant  
19 to subsection (E), a representation of Available Local  
20 Resources per pupil, as that term is defined and determined in  
21 this subsection, shall be utilized. Available Local Resources  
22 per pupil shall include a calculated dollar amount representing  
23 local school district revenues from local property taxes and  
24 from Corporate Personal Property Replacement Taxes, expressed  
25 on the basis of pupils in Average Daily Attendance. Calculation

1 of Available Local Resources shall exclude any tax amnesty  
2 funds received as a result of Public Act 93-26.

3 (2) In determining a school district's revenue from local  
4 property taxes, the State Board of Education shall utilize the  
5 equalized assessed valuation of all taxable property of each  
6 school district as of September 30 of the previous year. The  
7 equalized assessed valuation utilized shall be obtained and  
8 determined as provided in subsection (G).

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



1 property tax revenues per pupil shall be (i) the applicable  
2 equalized assessed valuation of the district multiplied by  
3 1.05% plus (ii) any surplus received by the school district in  
4 the previous year from a special tax allocation fund, as  
5 provided by the Tax Increment Allocation Redevelopment Act or  
6 the Industrial Jobs Recovery Law, and divided by the district's  
7 Average Daily Attendance figure.

8 For partial elementary unit districts created pursuant to  
9 Article 11E of this Code, local property tax revenues per pupil  
10 shall be calculated as (i) the product of the equalized  
11 assessed valuation for property within the partial elementary  
12 unit district for elementary purposes, as defined in Article  
13 11E of this Code, multiplied by 2.06% plus (ii) any surplus  
14 received by the school district in the previous year from a  
15 special tax allocation fund, as provided by the Tax Increment  
16 Allocation Redevelopment Act or the Industrial Jobs Recovery  
17 Law and divided by the district's Average Daily Attendance  
18 figure, plus (i) the product of the equalized assessed  
19 valuation for property within the partial elementary unit  
20 district for high school purposes, as defined in Article 11E of  
21 this Code, multiplied by 0.94% plus (ii) any surplus received  
22 by the school district in the previous year from a special tax  
23 allocation fund, as provided by the Tax Increment Allocation  
24 Redevelopment Act or the Industrial Jobs Recovery Law and  
25 divided by the district's Average Daily Attendance figure.

26 (4) The Corporate Personal Property Replacement Taxes paid

1 to each school district during the calendar year one year  
2 before the calendar year in which a school year begins, divided  
3 by the Average Daily Attendance figure for that district, shall  
4 be added to the local property tax revenues per pupil as  
5 derived by the application of the immediately preceding  
6 paragraph (3). The sum of these per pupil figures for each  
7 school district shall constitute Available Local Resources as  
8 that term is utilized in subsection (E) in the calculation of  
9 general State aid.

10 (E) Computation of General State Aid.

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

14 (2) For any school district for which Available Local  
15 Resources per pupil is less than the product of 0.93 times the  
16 Foundation Level, general State aid for that district shall be  
17 calculated as an amount equal to the Foundation Level minus  
18 Available Local Resources, multiplied by the Average Daily  
19 Attendance of the school district.

20 (3) For any school district for which Available Local  
21 Resources per pupil is equal to or greater than the product of  
22 0.93 times the Foundation Level and less than the product of  
23 1.75 times the Foundation Level, the general State aid per  
24 pupil shall be a decimal proportion of the Foundation Level  
25 derived using a linear algorithm. Under this linear algorithm,

1 the calculated general State aid per pupil shall decline in  
2 direct linear fashion from 0.07 times the Foundation Level for  
3 a school district with Available Local Resources equal to the  
4 product of 0.93 times the Foundation Level, to 0.05 times the  
5 Foundation Level for a school district with Available Local  
6 Resources equal to the product of 1.75 times the Foundation  
7 Level. The allocation of general State aid for school districts  
8 subject to this paragraph 3 shall be the calculated general  
9 State aid per pupil figure multiplied by the Average Daily  
10 Attendance of the school district.

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

16 (5) The amount of general State aid allocated to a school  
17 district for the 1999-2000 school year meeting the requirements  
18 set forth in paragraph (4) of subsection (G) shall be increased  
19 by an amount equal to the general State aid that would have  
20 been received by the district for the 1998-1999 school year by  
21 utilizing the Extension Limitation Equalized Assessed  
22 Valuation as calculated in paragraph (4) of subsection (G) less  
23 the general State aid allotted for the 1998-1999 school year.  
24 This amount shall be deemed a one time increase, and shall not  
25 affect any future general State aid allocations.

1 (F) Compilation of Average Daily Attendance.

2 (1) Each school district shall, by July 1 of each year,  
3 submit to the State Board of Education, on forms prescribed by  
4 the State Board of Education, attendance figures for the school  
5 year that began in the preceding calendar year. The attendance  
6 information so transmitted shall identify the average daily  
7 attendance figures for each month of the school year. Beginning  
8 with the general State aid claim form for the 2002-2003 school  
9 year, districts shall calculate Average Daily Attendance as  
10 provided in subdivisions (a), (b), and (c) of this paragraph  
11 (1).

12 (a) In districts that do not hold year-round classes,  
13 days of attendance in August shall be added to the month of  
14 September and any days of attendance in June shall be added  
15 to the month of May.

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

20 (c) In districts in which some buildings, but not all,  
21 hold year-round classes, for the non-year-round buildings,  
22 days of attendance in August shall be added to the month of  
23 September and any days of attendance in June shall be added  
24 to the month of May. The average daily attendance for the  
25 year-round buildings shall be computed as provided in  
26 subdivision (b) of this paragraph (1). To calculate the

1 Average Daily Attendance for the district, the average  
2 daily attendance for the year-round buildings shall be  
3 multiplied by the days in session for the non-year-round  
4 buildings for each month and added to the monthly  
5 attendance of the non-year-round buildings.

6 Except as otherwise provided in this Section, days of  
7 attendance by pupils shall be counted only for sessions of not  
8 less than 5 clock hours of school work per day under direct  
9 supervision of: (i) teachers, or (ii) non-teaching personnel or  
10 volunteer personnel when engaging in non-teaching duties and  
11 supervising in those instances specified in subsection (a) of  
12 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
13 of legal school age and in kindergarten and grades 1 through  
14 12.

15 Days of attendance by tuition pupils shall be accredited  
16 only to the districts that pay the tuition to a recognized  
17 school.

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

21 (a) Pupils regularly enrolled in a public school for  
22 only a part of the school day may be counted on the basis  
23 of 1/6 day for every class hour of instruction of 40  
24 minutes or more attended pursuant to such enrollment,  
25 unless a pupil is enrolled in a block-schedule format of 80  
26 minutes or more of instruction, in which case the pupil may

1 be counted on the basis of the proportion of minutes of  
2 school work completed each day to the minimum number of  
3 minutes that school work is required to be held that day.

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

8 (c) A session of 4 or more clock hours may be counted  
9 as a day of attendance upon certification by the regional  
10 superintendent, and approved by the State Superintendent  
11 of Education to the extent that the district has been  
12 forced to use daily multiple sessions.

13 (d) A session of 3 or more clock hours may be counted  
14 as a day of attendance (1) when the remainder of the school  
15 day or at least 2 hours in the evening of that day is  
16 utilized for an in-service training program for teachers,  
17 up to a maximum of 5 days per school year, provided a  
18 district conducts an in-service training program for  
19 teachers in accordance with Section 10-22.39 of this Code;  
20 or, in lieu of 4 such days, 2 full days may be used, in  
21 which event each such day may be counted as a day required  
22 for a legal school calendar pursuant to Section 10-19 of  
23 this Code; (1.5) when, of the 5 days allowed under item  
24 (1), a maximum of 4 days are used for parent-teacher  
25 conferences, or, in lieu of 4 such days, 2 full days are  
26 used, in which case each such day may be counted as a

1 calendar day required under Section 10-19 of this Code,  
2 provided that the full-day, parent-teacher conference  
3 consists of (i) a minimum of 5 clock hours of  
4 parent-teacher conferences, (ii) both a minimum of 2 clock  
5 hours of parent-teacher conferences held in the evening  
6 following a full day of student attendance, as specified in  
7 subsection (F)(1)(c), and a minimum of 3 clock hours of  
8 parent-teacher conferences held on the day immediately  
9 following evening parent-teacher conferences, or (iii)  
10 multiple parent-teacher conferences held in the evenings  
11 following full days of student attendance, as specified in  
12 subsection (F)(1)(c), in which the time used for the  
13 parent-teacher conferences is equivalent to a minimum of 5  
14 clock hours; and (2) when days in addition to those  
15 provided in items (1) and (1.5) are scheduled by a school  
16 pursuant to its school improvement plan adopted under  
17 Article 34 or its revised or amended school improvement  
18 plan adopted under Article 2, provided that (i) such  
19 sessions of 3 or more clock hours are scheduled to occur at  
20 regular intervals, (ii) the remainder of the school days in  
21 which such sessions occur are utilized for in-service  
22 training programs or other staff development activities  
23 for teachers, and (iii) a sufficient number of minutes of  
24 school work under the direct supervision of teachers are  
25 added to the school days between such regularly scheduled  
26 sessions to accumulate not less than the number of minutes

1 by which such sessions of 3 or more clock hours fall short  
2 of 5 clock hours. Any full days used for the purposes of  
3 this paragraph shall not be considered for computing  
4 average daily attendance. Days scheduled for in-service  
5 training programs, staff development activities, or  
6 parent-teacher conferences may be scheduled separately for  
7 different grade levels and different attendance centers of  
8 the district.

9 (e) A session of not less than one clock hour of  
10 teaching hospitalized or homebound pupils on-site or by  
11 telephone to the classroom may be counted as 1/2 day of  
12 attendance, however these pupils must receive 4 or more  
13 clock hours of instruction to be counted for a full day of  
14 attendance.

15 (f) A session of at least 4 clock hours may be counted  
16 as a day of attendance for first grade pupils, and pupils  
17 in full day kindergartens, and a session of 2 or more hours  
18 may be counted as 1/2 day of attendance by pupils in  
19 kindergartens which provide only 1/2 day of attendance.

20 (g) For children with disabilities who are below the  
21 age of 6 years and who cannot attend 2 or more clock hours  
22 because of their disability or immaturity, a session of not  
23 less than one clock hour may be counted as 1/2 day of  
24 attendance; however for such children whose educational  
25 needs so require a session of 4 or more clock hours may be  
26 counted as a full day of attendance.



1           (h) A recognized kindergarten which provides for only  
2           1/2 day of attendance by each pupil shall not have more  
3           than 1/2 day of attendance counted in any one day. However,  
4           kindergartens may count 2 1/2 days of attendance in any 5  
5           consecutive school days. When a pupil attends such a  
6           kindergarten for 2 half days on any one school day, the  
7           pupil shall have the following day as a day absent from  
8           school, unless the school district obtains permission in  
9           writing from the State Superintendent of Education.  
10          Attendance at kindergartens which provide for a full day of  
11          attendance by each pupil shall be counted the same as  
12          attendance by first grade pupils. Only the first year of  
13          attendance in one kindergarten shall be counted, except in  
14          case of children who entered the kindergarten in their  
15          fifth year whose educational development requires a second  
16          year of kindergarten as determined under the rules and  
17          regulations of the State Board of Education.

18          (i) On the days when the Prairie State Achievement  
19          Examination is administered under subsection (c) of  
20          Section 2-3.64 of this Code, the day of attendance for a  
21          pupil whose school day must be shortened to accommodate  
22          required testing procedures may be less than 5 clock hours  
23          and shall be counted towards the 176 days of actual pupil  
24          attendance required under Section 10-19 of this Code,  
25          provided that a sufficient number of minutes of school work  
26          in excess of 5 clock hours are first completed on other

1 school days to compensate for the loss of school work on  
2 the examination days.

3 (j) Pupils enrolled in a remote educational program  
4 established under Section 10-29 of this Code may be counted  
5 on the basis of one-fifth day of attendance for every clock  
6 hour of instruction attended in the remote educational  
7 program, provided that, in any month, the school district  
8 may not claim for a student enrolled in a remote  
9 educational program more days of attendance than the  
10 maximum number of days of attendance the district can claim

11 (i) for students enrolled in a building holding year-round  
12 classes if the student is classified as participating in  
13 the remote educational program on a year-round schedule or

14 (ii) for students enrolled in a building not holding  
15 year-round classes if the student is not classified as  
16 participating in the remote educational program on a  
17 year-round schedule.

18 (G) Equalized Assessed Valuation Data.

19 (1) For purposes of the calculation of Available Local  
20 Resources required pursuant to subsection (D), the State Board  
21 of Education shall secure from the Department of Revenue the  
22 value as equalized or assessed by the Department of Revenue of  
23 all taxable property of every school district, together with

24 (i) the applicable tax rate used in extending taxes for the  
25 funds of the district as of September 30 of the previous year

1 and (ii) the limiting rate for all school districts subject to  
2 property tax extension limitations as imposed under the  
3 Property Tax Extension Limitation Law.

4 The Department of Revenue shall add to the equalized  
5 assessed value of all taxable property of each school district  
6 situated entirely or partially within a county that is or was  
7 subject to the provisions of Section 15-176 or 15-177 of the  
8 Property Tax Code (a) an amount equal to the total amount by  
9 which the homestead exemption allowed under Section 15-176 or  
10 15-177 of the Property Tax Code for real property situated in  
11 that school district exceeds the total amount that would have  
12 been allowed in that school district if the maximum reduction  
13 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in  
14 all other counties in tax year 2003 or (ii) \$5,000 in all  
15 counties in tax year 2004 and thereafter and (b) an amount  
16 equal to the aggregate amount for the taxable year of all  
17 additional exemptions under Section 15-175 of the Property Tax  
18 Code for owners with a household income of \$30,000 or less. The  
19 county clerk of any county that is or was subject to the  
20 provisions of Section 15-176 or 15-177 of the Property Tax Code  
21 shall annually calculate and certify to the Department of  
22 Revenue for each school district all homestead exemption  
23 amounts under Section 15-176 or 15-177 of the Property Tax Code  
24 and all amounts of additional exemptions under Section 15-175  
25 of the Property Tax Code for owners with a household income of  
26 \$30,000 or less. It is the intent of this paragraph that if the

1 general homestead exemption for a parcel of property is  
2 determined under Section 15-176 or 15-177 of the Property Tax  
3 Code rather than Section 15-175, then the calculation of  
4 Available Local Resources shall not be affected by the  
5 difference, if any, between the amount of the general homestead  
6 exemption allowed for that parcel of property under Section  
7 15-176 or 15-177 of the Property Tax Code and the amount that  
8 would have been allowed had the general homestead exemption for  
9 that parcel of property been determined under Section 15-175 of  
10 the Property Tax Code. It is further the intent of this  
11 paragraph that if additional exemptions are allowed under  
12 Section 15-175 of the Property Tax Code for owners with a  
13 household income of less than \$30,000, then the calculation of  
14 Available Local Resources shall not be affected by the  
15 difference, if any, because of those additional exemptions.

16 This equalized assessed valuation, as adjusted further by  
17 the requirements of this subsection, shall be utilized in the  
18 calculation of Available Local Resources.

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

21 (a) For the purposes of calculating State aid under  
22 this Section, with respect to any part of a school district  
23 within a redevelopment project area in respect to which a  
24 municipality has adopted tax increment allocation  
25 financing pursuant to the Tax Increment Allocation  
26 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11

1 of the Illinois Municipal Code or the Industrial Jobs  
2 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
3 Illinois Municipal Code, no part of the current equalized  
4 assessed valuation of real property located in any such  
5 project area which is attributable to an increase above the  
6 total initial equalized assessed valuation of such  
7 property shall be used as part of the equalized assessed  
8 valuation of the district, until such time as all  
9 redevelopment project costs have been paid, as provided in  
10 Section 11-74.4-8 of the Tax Increment Allocation  
11 Redevelopment Act or in Section 11-74.6-35 of the  
12 Industrial Jobs Recovery Law. For the purpose of the  
13 equalized assessed valuation of the district, the total  
14 initial equalized assessed valuation or the current  
15 equalized assessed valuation, whichever is lower, shall be  
16 used until such time as all redevelopment project costs  
17 have been paid.

18 (b) The real property equalized assessed valuation for  
19 a school district shall be adjusted by subtracting from the  
20 real property value as equalized or assessed by the  
21 Department of Revenue for the district an amount computed  
22 by dividing the amount of any abatement of taxes under  
23 Section 18-170 of the Property Tax Code by 3.00% for a  
24 district maintaining grades kindergarten through 12, by  
25 2.30% for a district maintaining grades kindergarten  
26 through 8, or by 1.05% for a district maintaining grades 9

1 through 12 and adjusted by an amount computed by dividing  
2 the amount of any abatement of taxes under subsection (a)  
3 of Section 18-165 of the Property Tax Code by the same  
4 percentage rates for district type as specified in this  
5 subparagraph (b).

6 (3) For the 1999-2000 school year and each school year  
7 thereafter, if a school district meets all of the criteria of  
8 this subsection (G)(3), the school district's Available Local  
9 Resources shall be calculated under subsection (D) using the  
10 district's Extension Limitation Equalized Assessed Valuation  
11 as calculated under this subsection (G)(3).

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

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

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

18 "Preceding Tax Year": The property tax levy year  
19 immediately preceding the Base Tax Year.

20 "Base Tax Year's Tax Extension": The product of the  
21 equalized assessed valuation utilized by the County Clerk  
22 in the Base Tax Year multiplied by the limiting rate as  
23 calculated by the County Clerk and defined in the Property  
24 Tax Extension Limitation Law.

25 "Preceding Tax Year's Tax Extension": The product of  
26 the equalized assessed valuation utilized by the County

1 Clerk in the Preceding Tax Year multiplied by the Operating  
2 Tax Rate as defined in subsection (A).

3 "Extension Limitation Ratio": A numerical ratio,  
4 certified by the County Clerk, in which the numerator is  
5 the Base Tax Year's Tax Extension and the denominator is  
6 the Preceding Tax Year's Tax Extension.

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

9 If a school district is subject to property tax extension  
10 limitations as imposed under the Property Tax Extension  
11 Limitation Law, the State Board of Education shall calculate  
12 the Extension Limitation Equalized Assessed Valuation of that  
13 district. For the 1999-2000 school year, the Extension  
14 Limitation Equalized Assessed Valuation of a school district as  
15 calculated by the State Board of Education shall be equal to  
16 the product of the district's 1996 Equalized Assessed Valuation  
17 and the district's Extension Limitation Ratio. Except as  
18 otherwise provided in this paragraph for a school district that  
19 has approved or does approve an increase in its limiting rate,  
20 for the 2000-2001 school year and each school year thereafter,  
21 the Extension Limitation Equalized Assessed Valuation of a  
22 school district as calculated by the State Board of Education  
23 shall be equal to the product of the Equalized Assessed  
24 Valuation last used in the calculation of general State aid and  
25 the district's Extension Limitation Ratio. If the Extension  
26 Limitation Equalized Assessed Valuation of a school district as

1 calculated under this subsection (G)(3) is less than the  
2 district's equalized assessed valuation as calculated pursuant  
3 to subsections (G)(1) and (G)(2), then for purposes of  
4 calculating the district's general State aid for the Budget  
5 Year pursuant to subsection (E), that Extension Limitation  
6 Equalized Assessed Valuation shall be utilized to calculate the  
7 district's Available Local Resources under subsection (D). For  
8 the 2009-2010 school year and each school year thereafter, if a  
9 school district has approved or does approve an increase in its  
10 limiting rate, pursuant to Section 18-190 of the Property Tax  
11 Code, affecting the Base Tax Year, the Extension Limitation  
12 Equalized Assessed Valuation of the school district, as  
13 calculated by the State Board of Education, shall be equal to  
14 the product of the Equalized Assessed Valuation last used in  
15 the calculation of general State aid times an amount equal to  
16 one plus the percentage increase, if any, in the Consumer Price  
17 Index for all Urban Consumers for all items published by the  
18 United States Department of Labor for the 12-month calendar  
19 year preceding the Base Tax Year, plus the Equalized Assessed  
20 Valuation of new property, annexed property, and recovered tax  
21 increment value and minus the Equalized Assessed Valuation of  
22 disconnected property. New property and recovered tax  
23 increment value shall have the meanings set forth in the  
24 Property Tax Extension Limitation Law.

25 Partial elementary unit districts created in accordance  
26 with Article 11E of this Code shall not be eligible for the



1 adjustment in this subsection (G)(3) until the fifth year  
2 following the effective date of the reorganization.

3 (3.5) For the 2010-2011 school year and each school year  
4 thereafter, if a school district's boundaries span multiple  
5 counties, then the Department of Revenue shall send to the  
6 State Board of Education, for the purpose of calculating  
7 general State aid, the limiting rate and individual rates by  
8 purpose for the county that contains the majority of the school  
9 district's Equalized Assessed Valuation.

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

1 that Extension Limitation Equalized Assessed Valuation shall  
2 be utilized to calculate the district's Available Local  
3 Resources.

4 (5) For school districts having a majority of their  
5 equalized assessed valuation in any county except Cook, DuPage,  
6 Kane, Lake, McHenry, or Will, if the amount of general State  
7 aid allocated to the school district for the 1999-2000 school  
8 year under the provisions of subsection (E), (H), and (J) of  
9 this Section is less than the amount of general State aid  
10 allocated to the district for the 1998-1999 school year under  
11 these subsections, then the general State aid of the district  
12 for the 1999-2000 school year only shall be increased by the  
13 difference between these amounts. The total payments made under  
14 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
15 be prorated if they exceed \$14,000,000.

16 (H) Supplemental General State Aid.

17 (1) In addition to the general State aid a school district  
18 is allotted pursuant to subsection (E), qualifying school  
19 districts shall receive a grant, paid in conjunction with a  
20 district's payments of general State aid, for supplemental  
21 general State aid based upon the concentration level of  
22 children from low-income households within the school  
23 district. Supplemental State aid grants provided for school  
24 districts under this subsection shall be appropriated for  
25 distribution to school districts as part of the same line item

1 in which the general State financial aid of school districts is  
2 appropriated under this Section.

3 (1.5) This paragraph (1.5) applies only to those school  
4 years preceding the 2003-2004 school year. For purposes of this  
5 subsection (H), the term "Low-Income Concentration Level"  
6 shall be the low-income eligible pupil count from the most  
7 recently available federal census divided by the Average Daily  
8 Attendance of the school district. If, however, (i) the  
9 percentage decrease from the 2 most recent federal censuses in  
10 the low-income eligible pupil count of a high school district  
11 with fewer than 400 students exceeds by 75% or more the  
12 percentage change in the total low-income eligible pupil count  
13 of contiguous elementary school districts, whose boundaries  
14 are coterminous with the high school district, or (ii) a high  
15 school district within 2 counties and serving 5 elementary  
16 school districts, whose boundaries are coterminous with the  
17 high school district, has a percentage decrease from the 2 most  
18 recent federal censuses in the low-income eligible pupil count  
19 and there is a percentage increase in the total low-income  
20 eligible pupil count of a majority of the elementary school  
21 districts in excess of 50% from the 2 most recent federal  
22 censuses, then the high school district's low-income eligible  
23 pupil count from the earlier federal census shall be the number  
24 used as the low-income eligible pupil count for the high school  
25 district, for purposes of this subsection (H). The changes made  
26 to this paragraph (1) by Public Act 92-28 shall apply to

1 supplemental general State aid grants for school years  
2 preceding the 2003-2004 school year that are paid in fiscal  
3 year 1999 or thereafter and to any State aid payments made in  
4 fiscal year 1994 through fiscal year 1998 pursuant to  
5 subsection 1(n) of Section 18-8 of this Code (which was  
6 repealed on July 1, 1998), and any high school district that is  
7 affected by Public Act 92-28 is entitled to a recomputation of  
8 its supplemental general State aid grant or State aid paid in  
9 any of those fiscal years. This recomputation shall not be  
10 affected by any other funding.

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

26 (2) Supplemental general State aid pursuant to this

1 subsection (H) shall be provided as follows for the 1998-1999,  
2 1999-2000, and 2000-2001 school years only:

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

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

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

15 (d) For any school district with a Low Income  
16 Concentration Level of 60% or more, the grant for the  
17 1998-99 school year shall be \$1,900 multiplied by the low  
18 income eligible pupil count.

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

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

1           (2.5) Supplemental general State aid pursuant to this  
2 subsection (H) shall be provided as follows for the 2002-2003  
3 school year:

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

8           (b) For any school district with a Low Income  
9 Concentration Level of at least 10% and less than 20%, the  
10 grant for each school year shall be \$675 multiplied by the  
11 low income eligible pupil count.

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

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

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

24           (f) For any school district with a Low Income  
25 Concentration Level of 60% or more, the grant for each  
26 school year shall be \$2,080 multiplied by the low income

1 eligible pupil count.

2 (2.10) Except as otherwise provided, supplemental general  
3 State aid pursuant to this subsection (H) shall be provided as  
4 follows for the 2003-2004 school year and each school year  
5 thereafter:

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

10 (b) For any school district with a Low Income  
11 Concentration Level greater than 15%, the grant for each  
12 school year shall be \$294.25 added to the product of \$2,700  
13 and the square of the Low Income Concentration Level, all  
14 multiplied by the low income eligible pupil count.

15 For the 2003-2004 school year and each school year  
16 thereafter through the 2008-2009 school year only, the grant  
17 shall be no less than the grant for the 2002-2003 school year.  
18 For the 2009-2010 school year only, the grant shall be no less  
19 than the grant for the 2002-2003 school year multiplied by  
20 0.66. For the 2010-2011 school year only, the grant shall be no  
21 less than the grant for the 2002-2003 school year multiplied by  
22 0.33. Notwithstanding the provisions of this paragraph to the  
23 contrary, if for any school year supplemental general State aid  
24 grants are prorated as provided in paragraph (1) of this  
25 subsection (H), then the grants under this paragraph shall be  
26 prorated.

1           For the 2003-2004 school year only, the grant shall be no  
2 greater than the grant received during the 2002-2003 school  
3 year added to the product of 0.25 multiplied by the difference  
4 between the grant amount calculated under subsection (a) or (b)  
5 of this paragraph (2.10), whichever is applicable, and the  
6 grant received during the 2002-2003 school year. For the  
7 2004-2005 school year only, the grant shall be no greater than  
8 the grant received during the 2002-2003 school year added to  
9 the product of 0.50 multiplied by the difference between the  
10 grant amount calculated under subsection (a) or (b) of this  
11 paragraph (2.10), whichever is applicable, and the grant  
12 received during the 2002-2003 school year. For the 2005-2006  
13 school year only, the grant shall be no greater than the grant  
14 received during the 2002-2003 school year added to the product  
15 of 0.75 multiplied by the difference between the grant amount  
16 calculated under subsection (a) or (b) of this paragraph  
17 (2.10), whichever is applicable, and the grant received during  
18 the 2002-2003 school year.

19           (3) School districts with an Average Daily Attendance of  
20 more than 1,000 and less than 50,000 that qualify for  
21 supplemental general State aid pursuant to this subsection  
22 shall submit a plan to the State Board of Education prior to  
23 October 30 of each year for the use of the funds resulting from  
24 this grant of supplemental general State aid for the  
25 improvement of instruction in which priority is given to  
26 meeting the education needs of disadvantaged children. Such



1 plan shall be submitted in accordance with rules and  
2 regulations promulgated by the State Board of Education.

3 (4) School districts with an Average Daily Attendance of  
4 50,000 or more that qualify for supplemental general State aid  
5 pursuant to this subsection shall be required to distribute  
6 from funds available pursuant to this Section, no less than  
7 \$261,000,000 in accordance with the following requirements:

8 (a) The required amounts shall be distributed to the  
9 attendance centers within the district in proportion to the  
10 number of pupils enrolled at each attendance center who are  
11 eligible to receive free or reduced-price lunches or  
12 breakfasts under the federal Child Nutrition Act of 1966  
13 and under the National School Lunch Act during the  
14 immediately preceding school year.

15 (b) The distribution of these portions of supplemental  
16 and general State aid among attendance centers according to  
17 these requirements shall not be compensated for or  
18 contravened by adjustments of the total of other funds  
19 appropriated to any attendance centers, and the Board of  
20 Education shall utilize funding from one or several sources  
21 in order to fully implement this provision annually prior  
22 to the opening of school.

23 (c) Each attendance center shall be provided by the  
24 school district a distribution of noncategorical funds and  
25 other categorical funds to which an attendance center is  
26 entitled under law in order that the general State aid and

1 supplemental general State aid provided by application of  
2 this subsection supplements rather than supplants the  
3 noncategorical funds and other categorical funds provided  
4 by the school district to the attendance centers.

5 (d) Any funds made available under this subsection that  
6 by reason of the provisions of this subsection are not  
7 required to be allocated and provided to attendance centers  
8 may be used and appropriated by the board of the district  
9 for any lawful school purpose.

10 (e) Funds received by an attendance center pursuant to  
11 this subsection shall be used by the attendance center at  
12 the discretion of the principal and local school council  
13 for programs to improve educational opportunities at  
14 qualifying schools through the following programs and  
15 services: early childhood education, reduced class size or  
16 improved adult to student classroom ratio, enrichment  
17 programs, remedial assistance, attendance improvement, and  
18 other educationally beneficial expenditures which  
19 supplement the regular and basic programs as determined by  
20 the State Board of Education. Funds provided shall not be  
21 expended for any political or lobbying purposes as defined  
22 by board rule.

23 (f) Each district subject to the provisions of this  
24 subdivision (H) (4) shall submit an acceptable plan to meet  
25 the educational needs of disadvantaged children, in  
26 compliance with the requirements of this paragraph, to the

1 State Board of Education prior to July 15 of each year.  
2 This plan shall be consistent with the decisions of local  
3 school councils concerning the school expenditure plans  
4 developed in accordance with part 4 of Section 34-2.3. The  
5 State Board shall approve or reject the plan within 60 days  
6 after its submission. If the plan is rejected, the district  
7 shall give written notice of intent to modify the plan  
8 within 15 days of the notification of rejection and then  
9 submit a modified plan within 30 days after the date of the  
10 written notice of intent to modify. Districts may amend  
11 approved plans pursuant to rules promulgated by the State  
12 Board of Education.

13 Upon notification by the State Board of Education that  
14 the district has not submitted a plan prior to July 15 or a  
15 modified plan within the time period specified herein, the  
16 State aid funds affected by that plan or modified plan  
17 shall be withheld by the State Board of Education until a  
18 plan or modified plan is submitted.

19 If the district fails to distribute State aid to  
20 attendance centers in accordance with an approved plan, the  
21 plan for the following year shall allocate funds, in  
22 addition to the funds otherwise required by this  
23 subsection, to those attendance centers which were  
24 underfunded during the previous year in amounts equal to  
25 such underfunding.

26 For purposes of determining compliance with this

1 subsection in relation to the requirements of attendance  
2 center funding, each district subject to the provisions of  
3 this subsection shall submit as a separate document by  
4 December 1 of each year a report of expenditure data for  
5 the prior year in addition to any modification of its  
6 current plan. If it is determined that there has been a  
7 failure to comply with the expenditure provisions of this  
8 subsection regarding contravention or supplanting, the  
9 State Superintendent of Education shall, within 60 days of  
10 receipt of the report, notify the district and any affected  
11 local school council. The district shall within 45 days of  
12 receipt of that notification inform the State  
13 Superintendent of Education of the remedial or corrective  
14 action to be taken, whether by amendment of the current  
15 plan, if feasible, or by adjustment in the plan for the  
16 following year. Failure to provide the expenditure report  
17 or the notification of remedial or corrective action in a  
18 timely manner shall result in a withholding of the affected  
19 funds.

20 The State Board of Education shall promulgate rules and  
21 regulations to implement the provisions of this  
22 subsection. No funds shall be released under this  
23 subdivision (H) (4) to any district that has not submitted a  
24 plan that has been approved by the State Board of  
25 Education.

1 (I) (Blank).

2 (J) (Blank).

3 (K) Grants to Laboratory and Alternative Schools.

4 In calculating the amount to be paid to the governing board  
5 of a public university that operates a laboratory school under  
6 this Section or to any alternative school that is operated by a  
7 regional superintendent of schools, the State Board of  
8 Education shall require by rule such reporting requirements as  
9 it deems necessary.

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

22 As used in this Section, "alternative school" means a  
23 public school which is created and operated by a Regional  
24 Superintendent of Schools and approved by the State Board of

1 Education. Such alternative schools may offer courses of  
2 instruction for which credit is given in regular school  
3 programs, courses to prepare students for the high school  
4 equivalency testing program or vocational and occupational  
5 training. A regional superintendent of schools may contract  
6 with a school district or a public community college district  
7 to operate an alternative school. An alternative school serving  
8 more than one educational service region may be established by  
9 the regional superintendents of schools of the affected  
10 educational service regions. An alternative school serving  
11 more than one educational service region may be operated under  
12 such terms as the regional superintendents of schools of those  
13 educational service regions may agree.

14 Each laboratory and alternative school shall file, on forms  
15 provided by the State Superintendent of Education, an annual  
16 State aid claim which states the Average Daily Attendance of  
17 the school's students by month. The best 3 months' Average  
18 Daily Attendance shall be computed for each school. The general  
19 State aid entitlement shall be computed by multiplying the  
20 applicable Average Daily Attendance by the Foundation Level as  
21 determined under this Section.

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

23 (1) For a school district operating under the financial  
24 supervision of an Authority created under Article 34A, the  
25 general State aid otherwise payable to that district under this

1 Section, but not the supplemental general State aid, shall be  
2 reduced by an amount equal to the budget for the operations of  
3 the Authority as certified by the Authority to the State Board  
4 of Education, and an amount equal to such reduction shall be  
5 paid to the Authority created for such district for its  
6 operating expenses in the manner provided in Section 18-11. The  
7 remainder of general State school aid for any such district  
8 shall be paid in accordance with Article 34A when that Article  
9 provides for a disposition other than that provided by this  
10 Article.

11 (2) (Blank).

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

14 (M) Education Funding Advisory Board.

15 The Education Funding Advisory Board, hereinafter in this  
16 subsection (M) referred to as the "Board", is hereby created.  
17 The Board shall consist of 5 members who are appointed by the  
18 Governor, by and with the advice and consent of the Senate. The  
19 members appointed shall include representatives of education,  
20 business, and the general public. One of the members so  
21 appointed shall be designated by the Governor at the time the  
22 appointment is made as the chairperson of the Board. The  
23 initial members of the Board may be appointed any time after  
24 the effective date of this amendatory Act of 1997. The regular  
25 term of each member of the Board shall be for 4 years from the

1 third Monday of January of the year in which the term of the  
2 member's appointment is to commence, except that of the 5  
3 initial members appointed to serve on the Board, the member who  
4 is appointed as the chairperson shall serve for a term that  
5 commences on the date of his or her appointment and expires on  
6 the third Monday of January, 2002, and the remaining 4 members,  
7 by lots drawn at the first meeting of the Board that is held  
8 after all 5 members are appointed, shall determine 2 of their  
9 number to serve for terms that commence on the date of their  
10 respective appointments and expire on the third Monday of  
11 January, 2001, and 2 of their number to serve for terms that  
12 commence on the date of their respective appointments and  
13 expire on the third Monday of January, 2000. All members  
14 appointed to serve on the Board shall serve until their  
15 respective successors are appointed and confirmed. Vacancies  
16 shall be filled in the same manner as original appointments. If  
17 a vacancy in membership occurs at a time when the Senate is not  
18 in session, the Governor shall make a temporary appointment  
19 until the next meeting of the Senate, when he or she shall  
20 appoint, by and with the advice and consent of the Senate, a  
21 person to fill that membership for the unexpired term. If the  
22 Senate is not in session when the initial appointments are  
23 made, those appointments shall be made as in the case of  
24 vacancies.

25 The Education Funding Advisory Board shall be deemed  
26 established, and the initial members appointed by the Governor



1 to serve as members of the Board shall take office, on the date  
2 that the Governor makes his or her appointment of the fifth  
3 initial member of the Board, whether those initial members are  
4 then serving pursuant to appointment and confirmation or  
5 pursuant to temporary appointments that are made by the  
6 Governor as in the case of vacancies.

7 The State Board of Education shall provide such staff  
8 assistance to the Education Funding Advisory Board as is  
9 reasonably required for the proper performance by the Board of  
10 its responsibilities.

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

25 (N) (Blank).

1 (O) References.

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

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

10 (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
11 changes to this Section. Under Section 6 of the Statute on  
12 Statutes there is an irreconcilable conflict between Public Act  
13 93-808 and Public Act 93-838. Public Act 93-838, being the last  
14 acted upon, is controlling. The text of Public Act 93-838 is  
15 the law regardless of the text of Public Act 93-808.

16 (Source: P.A. 96-45, eff. 7-15-09; 96-152, eff. 8-7-09; 96-300,  
17 eff. 8-11-09; 96-328, eff. 8-11-09; 96-640, eff. 8-24-09;  
18 96-959, eff. 7-1-10; 96-1000, eff. 7-2-10; 96-1480, eff.  
19 11-18-10; 97-339, eff. 8-12-11; 97-351, eff. 8-12-11; revised  
20 9-28-11.)

21 Section 99. Effective date. This Act takes effect January  
22 1, 2013."