



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB3402

Introduced 2/7/2012, by Sen. Carole Pankau

SYNOPSIS AS INTRODUCED:

New Act

Creates the Technology Development District Act. Defines terms. Provides that a municipality may, by ordinance, establish a technology development district. Sets forth requirements concerning the development plan, notices, public meetings, and financing of development projects. Sets forth the powers of a municipality concerning the creation of a technology development district.

LRB097 19875 KMW 65158 b

1 AN ACT concerning local government.

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

4 Section 1. Short title. This Act may be cited as the
5 Technology Development District Act.

6 Section 3. Purpose. In order to better utilize community
7 resources, including those of schools and libraries,
8 municipalities may develop Technology Development Districts.
9 These districts would aid in the redevelopment of older
10 communities that use antiquated technology infrastructure,
11 educational development, and make communities more competitive
12 and technologically inviting.

13 The use of tax revenues derived from the tax rates of
14 various taxing districts in development project areas for the
15 payment of development project costs is of benefit to said
16 taxing districts, all surplus tax revenues are turned over to
17 the taxing districts in development project areas, and all said
18 districts benefit from the development of technology
19 infrastructure.

20 Section 5. Definitions.

21 "Development district" means a technology development
22 district.

1 "Development plan" means a development plan required for
2 the creation of a technology development district pursuant to
3 Section 10 of this Act.

4 "Development project" means any public or private
5 development project in furtherance of the objectives of a
6 development plan.

7 "Development project area" means an area designated by the
8 municipality for a development project.

9 "Development project costs" means and includes the sum
10 total of all reasonable or necessary costs incurred or
11 estimated to be incurred, and any costs incidental to a
12 development plan and a development project.

13 "Municipality" means a city, village, or township.

14 "Obligations" mean bonds, loans, debentures, notes,
15 special certificates, or other evidence of indebtedness issued
16 by the municipality to carry out a development project or to
17 refund outstanding obligations.

18 "Services" means any improvements and facilities provided
19 for in the development plan of a development district as
20 approved by the corporate authorities of a municipality,
21 including both on-site improvements and off-site improvements
22 that directly or indirectly benefit the development district,
23 and necessary or incidental work, whether newly constructed,
24 renovated, or existing. "Services" includes electrical and
25 energy generation facilities and upgrades, high-speed cable or
26 other telecommunications lines and related equipment,

1 including fiber optic transmission facilities designed to
2 carry communication signals such as voice, data, and video,
3 inspection, construction management and program management
4 costs, high-tech manufacturing facilities, community outreach
5 programs and facilities, educational equipment, and technology
6 parks.

7 Section 10. Creation of technology development district. A
8 municipality may, by ordinance, establish a technology
9 development district. The district may be entirely within, or
10 partly within and partly without, one or more municipalities,
11 and a development district may consist of noncontiguous tracts
12 or parcels of property within 3 miles of each other. The
13 municipality shall submit a development plan that shall be
14 available for public viewing.

15 (a) The development plan for a district shall include:

16 (1) a description of the proposed services;

17 (2) a financial plan showing how the proposed services
18 are to be financed, including the proposed operating
19 revenue derived from property taxes for the first fiscal
20 year of the proposed development district;

21 (3) a schedule of the proposed indebtedness for the
22 proposed development district indicating the year or years
23 in which the debt is scheduled to be issued;

24 (4) a preliminary engineering or architectural survey
25 showing how the proposed services are to be provided;

1 (5) a map of the proposed development district
2 boundaries and an estimate of the population and valuation
3 for assessment of the proposed development district;

4 (6) a general description of the facilities to be
5 constructed and the standards of the construction,
6 including a statement of how the facility and service
7 standards of the proposed development district are
8 compatible with the facility and service standards of any
9 municipality within the zoning jurisdiction where all or
10 any portion of the proposed development district is to be
11 located;

12 (7) a general description of the estimated cost of
13 acquiring any land, engineering services, legal services,
14 administrative services, initial proposed indebtedness and
15 estimated proposed maximum interest rates and discounts,
16 and other major expenses related to the organization and
17 initial operation of the proposed development district;

18 (8) a description of any arrangement or proposed
19 agreement with any political subdivision for the
20 performance of any services between the proposed
21 development district and the other political subdivision,
22 including, if the form contract to be used is available, a
23 copy of the contract; and

24 (9) any additional information as the corporate
25 authorities of the municipality may find necessary.

26 (b) A municipality may:

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

5 (2) accept grants, guarantees, and donations of
6 property, labor, or other things of value from a public or
7 private source for use within a project development area;

8 (3) incur project development costs and reimburse
9 developers who incur development project costs authorized
10 by a development agreement; provided, however, that no
11 municipality shall incur development project costs that
12 are not consistent with the program for accomplishing the
13 objectives of the development plan;

14 (4) jointly undertake and perform development plans
15 and projects wherever they have contiguous development
16 project areas that includes contiguous real property
17 within the boundaries of the municipalities, and in doing
18 so, they may, by agreement between municipalities, issue
19 obligations, separately or jointly, and expend revenues
20 received under the Act for eligible expenses anywhere
21 within contiguous development project areas; and

22 (5) issue bonds, provided that the bonds amount to no
23 more than 50% of the annual revenue received from the
24 development district.

25 Section 15. Notice and meeting.

1 (a) After receiving a development plan, the corporate
2 authorities shall set a date within 90 days for a public
3 hearing on the development plan of the proposed development
4 district. The corporate authorities shall provide written
5 notice of the date, time, and location of the hearing to each
6 resident or property owner of record within the boundaries of
7 the development district and the governing body of any existing
8 county, municipality, school district or other political
9 subdivision that has levied an ad valorem tax within the next
10 preceding tax year and that has boundaries within a radius of 3
11 miles of the proposed development district boundaries. Notice
12 shall also be given to any person who has requested that notice
13 be given for any development plan filed pursuant to this Act.
14 The corporate authorities shall make publication of the date,
15 time, location and purpose of the hearing, the first of which
16 shall be at least 20 days before the hearing date. The notice
17 shall also include: (i) a general description of the land
18 contained within the boundaries of the proposed development
19 district, (ii) information outlining methods and procedures
20 for excluding territory from the proposed development
21 district, and (iii) places, including web sites, where
22 interested persons may obtain a copy of the development plan.

23 (b) Not more than 30 days nor less than 20 days before the
24 hearing held pursuant to this Section, the petitioners for the
25 organization of the proposed development district shall send
26 notification by certified mail of the hearing to the property

1 owners within the proposed development district as listed on
2 the records of the county clerk on the date requested unless
3 the petitioners represent 100% of the property owners. The
4 notification shall indicate that it is a notice of a hearing
5 for the organization of an development district and shall
6 indicate the date, time, location and purpose of the hearing,
7 and a general description of the type of services that are
8 included in the development plan. The mailing of the
9 notification by certified mail to all addresses within the
10 proposed development district shall constitute a good-faith
11 effort to comply with this subsection, and failure to notify
12 all property owners by certified mail shall not provide grounds
13 for a challenge to the hearing being held.

14 (c) The hearing held by the governing body shall be open to
15 the public, and a record of the proceedings shall be made at
16 the expense of the petitioners. All interested parties shall be
17 afforded an opportunity to be heard under applicable rules of
18 procedure as may be established by the corporate authorities.
19 Any testimony or evidence that in the discretion of the
20 governing body is relevant to the organization of the proposed
21 development district shall be considered.

22 (d) After a municipality has by ordinance approved a
23 development plan and designated a development project area, the
24 plan may be amended and additional properties may be added to
25 the development project area. The municipality shall give
26 notice and hold a hearing, as provided in this Section, prior

1 to amending a plan.

2 (e) Beginning in fiscal year 2013 and in each fiscal year
3 thereafter, a municipality must detail in its annual budget (i)
4 the revenues generated from development project areas by source
5 and (ii) the expenditures made by the municipality for
6 development project areas.

7 Section 30. Revenue.

8 The projects to be constructed or acquired as shown in the
9 development plan may be financed from the following sources of
10 revenue:

11 (1) proceeds received from the sale of bonds of the
12 development district;

13 (2) money of the municipality or county contributed to
14 the development district;

15 (3) annual property taxes or special assessments;

16 (4) state or federal grants or contributions;

17 (5) private contributions;

18 (6) user, landowner and other fees, tolls and charges;

19 (7) proceeds of loans or advances; and

20 (8) any other money available to the development
21 district by law.

22 No revenues from one Technology Development District may be
23 transferred to another District.