



Sen. Carole Pankau

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1 AMENDMENT TO SENATE BILL 3402

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 3402 by replacing  
3 everything after the enacting clause with the following:

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

1 the taxing districts in development project areas, and all said  
2 districts benefit from the development of technology  
3 infrastructure.

4 Section 5. Definitions.

5 "Development district" means a technology development  
6 district.

7 "Development plan" means a development plan required for  
8 the creation of a technology development district pursuant to  
9 Section 10 of this Act.

10 "Development project" means any public or private  
11 development project in furtherance of the objectives of a  
12 development plan.

13 "Development project area" means an area designated by the  
14 municipality for a development project.

15 "Development project costs" means and includes the sum  
16 total of all reasonable or necessary costs incurred or  
17 estimated to be incurred, and any costs incidental to a  
18 development plan and a development project.

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

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

24 "Services" means any improvements and facilities provided  
25 for in the development plan of a development district as

1 approved by the corporate authorities of a municipality,  
2 including both on-site improvements and off-site improvements  
3 that directly or indirectly benefit the development district,  
4 and necessary or incidental work, whether newly constructed,  
5 renovated, or existing. "Services" includes electrical and  
6 energy generation facilities and upgrades, inspection,  
7 construction management, and program management costs,  
8 high-tech manufacturing facilities, community outreach  
9 programs and facilities, educational equipment, and technology  
10 parks. "Services" also includes equipment and inside wiring or  
11 cable used and controlled by a property owner for the purchase  
12 of broadband services, but only to the extent that the  
13 equipment and inside wiring or cable is located on the premises  
14 of the customer for broadband services. "Services" does not  
15 include equipment located outside of a property owner's  
16 premises, such as high speed cable, telecommunications lines,  
17 fiber optic transmission facilities, and related equipment  
18 designed to carry communications signals such as voice, data,  
19 and video to the premises.

20 Section 10. Creation of technology development district. A  
21 municipality may, by ordinance, establish a technology  
22 development district. The district may be entirely within, or  
23 partly within and partly without, one or more municipalities,  
24 and a development district may consist of noncontiguous tracts  
25 or parcels of property within 3 miles of each other. The

1 municipality shall submit a development plan that shall be  
2 available for public viewing.

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

4 (1) a description of the proposed services;

5 (2) a financial plan showing how the proposed services  
6 are to be financed, including the proposed operating  
7 revenue derived from property taxes for the first fiscal  
8 year of the proposed development district;

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

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

14 (5) a map of the proposed development district  
15 boundaries and an estimate of the population and valuation  
16 for assessment of the proposed development district;

17 (6) a general description of the facilities to be  
18 constructed and the standards of the construction,  
19 including a statement of how the facility and service  
20 standards of the proposed development district are  
21 compatible with the facility and service standards of any  
22 municipality within the zoning jurisdiction where all or  
23 any portion of the proposed development district is to be  
24 located;

25 (7) a general description of the estimated cost of  
26 acquiring any land, engineering services, legal services,

1 administrative services, initial proposed indebtedness and  
2 estimated proposed maximum interest rates and discounts,  
3 and other major expenses related to the organization and  
4 initial operation of the proposed development district;

5 (8) a description of any arrangement or proposed  
6 agreement with any political subdivision for the  
7 performance of any services between the proposed  
8 development district and the other political subdivision,  
9 including, if the form contract to be used is available, a  
10 copy of the contract; and

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

13 (b) A municipality may:

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

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

21 (3) incur project development costs and reimburse  
22 developers who incur development project costs authorized  
23 by a development agreement; provided, however, that no  
24 municipality shall incur development project costs that  
25 are not consistent with the program for accomplishing the  
26 objectives of the development plan;

1           (4) jointly undertake and perform development plans  
2           and projects wherever they have contiguous development  
3           project areas that includes contiguous real property  
4           within the boundaries of the municipalities, and in doing  
5           so, they may, by agreement between municipalities, issue  
6           obligations, separately or jointly, and expend revenues  
7           received under the Act for eligible expenses anywhere  
8           within contiguous development project areas; and

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

12          Section 15. Notice and meeting.

13          (a) After receiving a development plan, the corporate  
14          authorities shall set a date within 90 days for a public  
15          hearing on the development plan of the proposed development  
16          district. The corporate authorities shall provide written  
17          notice of the date, time, and location of the hearing to each  
18          resident or property owner of record within the boundaries of  
19          the development district and the governing body of any existing  
20          county, municipality, school district or other political  
21          subdivision that has levied an ad valorem tax within the next  
22          preceding tax year and that has boundaries within a radius of 3  
23          miles of the proposed development district boundaries. Notice  
24          shall also be given to any person who has requested that notice  
25          be given for any development plan filed pursuant to this Act.

1 The corporate authorities shall make publication of the date,  
2 time, location and purpose of the hearing, the first of which  
3 shall be at least 20 days before the hearing date. The notice  
4 shall also include: (i) a general description of the land  
5 contained within the boundaries of the proposed development  
6 district, (ii) information outlining methods and procedures  
7 for excluding territory from the proposed development  
8 district, and (iii) places, including web sites, where  
9 interested persons may obtain a copy of the development plan.

10 (b) Not more than 30 days nor less than 20 days before the  
11 hearing held pursuant to this Section, the petitioners for the  
12 organization of the proposed development district shall send  
13 notification by certified mail of the hearing to the property  
14 owners within the proposed development district as listed on  
15 the records of the county clerk on the date requested unless  
16 the petitioners represent 100% of the property owners. The  
17 notification shall indicate that it is a notice of a hearing  
18 for the organization of a development district and shall  
19 indicate the date, time, location and purpose of the hearing,  
20 and a general description of the type of services that are  
21 included in the development plan. The mailing of the  
22 notification by certified mail to all addresses within the  
23 proposed development district shall constitute a good-faith  
24 effort to comply with this subsection, and failure to notify  
25 all property owners by certified mail shall not provide grounds  
26 for a challenge to the hearing being held.

1           (c) The hearing held by the governing body shall be open to  
2 the public, and a record of the proceedings shall be made at  
3 the expense of the petitioners. All interested parties shall be  
4 afforded an opportunity to be heard under applicable rules of  
5 procedure as may be established by the corporate authorities.  
6 Any testimony or evidence that in the discretion of the  
7 governing body is relevant to the organization of the proposed  
8 development district shall be considered.

9           (d) After a municipality has by ordinance approved a  
10 development plan and designated a development project area, the  
11 plan may be amended and additional properties may be added to  
12 the development project area. The municipality shall give  
13 notice and hold a hearing, as provided in this Section, prior  
14 to amending a plan.

15           (e) Beginning in fiscal year 2013 and in each fiscal year  
16 thereafter, a municipality must detail in its annual budget (i)  
17 the revenues generated from development project areas by source  
18 and (ii) the expenditures made by the municipality for  
19 development project areas.

20           Section 30. Revenue.

21           The projects to be constructed or acquired as shown in the  
22 development plan may be financed from the following sources of  
23 revenue:

24           (1) proceeds received from the sale of bonds of the  
25 development district;



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

3           (3) annual property taxes or special assessments;

4           (4) state or federal grants or contributions;

5           (5) private contributions;

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

7           (7) proceeds of loans or advances; and

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

10          No revenues from one technology development district may be  
11          transferred to another district."