

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by  
5 changing Sections 11-74.4-3, 11-74.4-3.5, 11-74.4-4,  
6 11-74.4-6, 11-74.4-8, and 11-74.6-22 and by adding Section  
7 11-74.4-3.3 as follows:

8 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

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

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

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

22 (1) If improved, industrial, commercial, and  
23 residential buildings or improvements are detrimental to

1 the public safety, health, or welfare because of a  
2 combination of 5 or more of the following factors, each of  
3 which is (i) present, with that presence documented, to a  
4 meaningful extent so that a municipality may reasonably  
5 find that the factor is clearly present within the intent  
6 of the Act and (ii) reasonably distributed throughout the  
7 improved part of the redevelopment project area:

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

15 (B) Obsolescence. The condition or process of  
16 falling into disuse. Structures have become ill-suited  
17 for the original use.

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

1           depressions, loose paving material, and weeds  
2           protruding through paved surfaces.

3           (D) Presence of structures below minimum code  
4           standards. All structures that do not meet the  
5           standards of zoning, subdivision, building, fire, and  
6           other governmental codes applicable to property, but  
7           not including housing and property maintenance codes.

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

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

17          (G) Lack of ventilation, light, or sanitary  
18          facilities. The absence of adequate ventilation for  
19          light or air circulation in spaces or rooms without  
20          windows, or that require the removal of dust, odor,  
21          gas, smoke, or other noxious airborne materials.  
22          Inadequate natural light and ventilation means the  
23          absence of skylights or windows for interior spaces or  
24          rooms and improper window sizes and amounts by room  
25          area to window area ratios. Inadequate sanitary  
26          facilities refers to the absence or inadequacy of

1 garbage storage and enclosure, bathroom facilities,  
2 hot water and kitchens, and structural inadequacies  
3 preventing ingress and egress to and from all rooms and  
4 units within a building.

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

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

1 conditions: insufficient provision for light and air  
2 within or around buildings, increased threat of spread  
3 of fire due to the close proximity of buildings, lack  
4 of adequate or proper access to a public right-of-way,  
5 lack of reasonably required off-street parking, or  
6 inadequate provision for loading and service.

7 (J) Deleterious land use or layout. The existence  
8 of incompatible land-use relationships, buildings  
9 occupied by inappropriate mixed-uses, or uses  
10 considered to be noxious, offensive, or unsuitable for  
11 the surrounding area.

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

24 (L) Lack of community planning. The proposed  
25 redevelopment project area was developed prior to or  
26 without the benefit or guidance of a community plan.

1           This means that the development occurred prior to the  
2           adoption by the municipality of a comprehensive or  
3           other community plan or that the plan was not followed  
4           at the time of the area's development. This factor must  
5           be documented by evidence of adverse or incompatible  
6           land-use relationships, inadequate street layout,  
7           improper subdivision, parcels of inadequate shape and  
8           size to meet contemporary development standards, or  
9           other evidence demonstrating an absence of effective  
10          community planning.

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

24           (2) If vacant, the sound growth of the redevelopment  
25          project area is impaired by a combination of 2 or more of  
26          the following factors, each of which is (i) present, with

1 that presence documented, to a meaningful extent so that a  
2 municipality may reasonably find that the factor is clearly  
3 present within the intent of the Act and (ii) reasonably  
4 distributed throughout the vacant part of the  
5 redevelopment project area to which it pertains:

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

16 (B) Diversity of ownership of parcels of vacant  
17 land sufficient in number to retard or impede the  
18 ability to assemble the land for development.

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

22 (D) Deterioration of structures or site  
23 improvements in neighboring areas adjacent to the  
24 vacant land.

25 (E) The area has incurred Illinois Environmental  
26 Protection Agency or United States Environmental

1 Protection Agency remediation costs for, or a study  
2 conducted by an independent consultant recognized as  
3 having expertise in environmental remediation has  
4 determined a need for, the clean-up of hazardous waste,  
5 hazardous substances, or underground storage tanks  
6 required by State or federal law, provided that the  
7 remediation costs constitute a material impediment to  
8 the development or redevelopment of the redevelopment  
9 project area.

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

23 (3) If vacant, the sound growth of the redevelopment  
24 project area is impaired by one of the following factors  
25 that (i) is present, with that presence documented, to a  
26 meaningful extent so that a municipality may reasonably



1 find that the factor is clearly present within the intent  
2 of the Act and (ii) is reasonably distributed throughout  
3 the vacant part of the redevelopment project area to which  
4 it pertains:

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

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

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

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

22 (E) Prior to November 1, 1999, the area is not less  
23 than 50 nor more than 100 acres and 75% of which is  
24 vacant (notwithstanding that the area has been used for  
25 commercial agricultural purposes within 5 years prior  
26 to the designation of the redevelopment project area),

1           and the area meets at least one of the factors itemized  
2           in paragraph (1) of this subsection, the area has been  
3           designated as a town or village center by ordinance or  
4           comprehensive plan adopted prior to January 1, 1982,  
5           and the area has not been developed for that designated  
6           purpose.

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

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

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

24               (1) Dilapidation. An advanced state of disrepair or  
25               neglect of necessary repairs to the primary structural  
26               components of buildings or improvements in such a

1 combination that a documented building condition analysis  
2 determines that major repair is required or the defects are  
3 so serious and so extensive that the buildings must be  
4 removed.

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

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

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

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

1           (6) Excessive vacancies. The presence of buildings  
2 that are unoccupied or under-utilized and that represent an  
3 adverse influence on the area because of the frequency,  
4 extent, or duration of the vacancies.

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

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

26           (9) Excessive land coverage and overcrowding of

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

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

23 (11) Lack of community planning. The proposed  
24 redevelopment project area was developed prior to or  
25 without the benefit or guidance of a community plan. This  
26 means that the development occurred prior to the adoption

1 by the municipality of a comprehensive or other community  
2 plan or that the plan was not followed at the time of the  
3 area's development. This factor must be documented by  
4 evidence of adverse or incompatible land-use  
5 relationships, inadequate street layout, improper  
6 subdivision, parcels of inadequate shape and size to meet  
7 contemporary development standards, or other evidence  
8 demonstrating an absence of effective community planning.

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

20 (13) The total equalized assessed value of the proposed  
21 redevelopment project area has declined for 3 of the last 5  
22 calendar years for which information is available or is  
23 increasing at an annual rate that is less than the balance  
24 of the municipality for 3 of the last 5 calendar years for  
25 which information is available or is increasing at an  
26 annual rate that is less than the Consumer Price Index for

1 All Urban Consumers published by the United States  
2 Department of Labor or successor agency for 3 of the last 5  
3 calendar years for which information is available.

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

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

24 (e) "Labor surplus municipality" means a municipality in  
25 which, at any time during the 6 months before the municipality  
26 by ordinance designates an industrial park conservation area,

1 the unemployment rate was over 6% and was also 100% or more of  
2 the national average unemployment rate for that same time as  
3 published in the United States Department of Labor Bureau of  
4 Labor Statistics publication entitled "The Employment  
5 Situation" or its successor publication. For the purpose of  
6 this subsection, if unemployment rate statistics for the  
7 municipality are not available, the unemployment rate in the  
8 municipality shall be deemed to be the same as the unemployment  
9 rate in the principal county in which the municipality is  
10 located.

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

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

23 (g-1) "Revised Initial Sales Tax Amounts" means the amount  
24 of taxes paid under the Retailers' Occupation Tax Act, Use Tax  
25 Act, Service Use Tax Act, the Service Occupation Tax Act, the  
26 Municipal Retailers' Occupation Tax Act, and the Municipal



1 Service Occupation Tax Act by retailers and servicemen on  
2 transactions at places located within the State Sales Tax  
3 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

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

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

1 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales  
2 Tax Amounts as appropriate. For every State Fiscal Year  
3 thereafter, the applicable period shall be the 12 months  
4 beginning July 1 and ending June 30 to determine the tax  
5 amounts received which shall have deducted therefrom the  
6 certified Initial Sales Tax Amounts, the Adjusted Initial Sales  
7 Tax Amounts or the Revised Initial Sales Tax Amounts, as the  
8 case may be.

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

1 Department of Revenue shall distribute to those municipalities  
2 100% of their Net State Sales Tax Increment before any  
3 distribution to any other municipality and regardless of  
4 whether or not those other municipalities will receive 100% of  
5 their Net State Sales Tax Increment. For Fiscal Year 1999, and  
6 every year thereafter until the year 2007, for any municipality  
7 that has not entered into a contract or has not issued bonds  
8 prior to June 1, 1988 to finance redevelopment project costs  
9 within a State Sales Tax Boundary, the Net State Sales Tax  
10 Increment shall be calculated as follows: By multiplying the  
11 Net State Sales Tax Increment by 90% in the State Fiscal Year  
12 1999; 80% in the State Fiscal Year 2000; 70% in the State  
13 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the  
14 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%  
15 in the State Fiscal Year 2005; 20% in the State Fiscal Year  
16 2006; and 10% in the State Fiscal Year 2007. No payment shall  
17 be made for State Fiscal Year 2008 and thereafter.

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

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

1 the calendar year immediately prior to the year of the adoption  
2 of the ordinance authorizing tax increment allocation  
3 financing.

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

25 Municipalities that issue bonds in connection with the  
26 redevelopment project during the period from June 1, 1988 until

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

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

16 (m) "Payment in lieu of taxes" means those estimated tax  
17 revenues from real property in a redevelopment project area  
18 derived from real property that has been acquired by a  
19 municipality which according to the redevelopment project or  
20 plan is to be used for a private use which taxing districts  
21 would have received had a municipality not acquired the real  
22 property and adopted tax increment allocation financing and  
23 which would result from levies made after the time of the  
24 adoption of tax increment allocation financing to the time the  
25 current equalized value of real property in the redevelopment  
26 project area exceeds the total initial equalized value of real

1 property in said area.

2 (n) "Redevelopment plan" means the comprehensive program  
3 of the municipality for development or redevelopment intended  
4 by the payment of redevelopment project costs to reduce or  
5 eliminate those conditions the existence of which qualified the  
6 redevelopment project area as a "blighted area" or  
7 "conservation area" or combination thereof or "industrial park  
8 conservation area," and thereby to enhance the tax bases of the  
9 taxing districts which extend into the redevelopment project  
10 area, provided that, with respect to redevelopment project  
11 areas described in subsections (p-1) and (p-2), "redevelopment  
12 plan" means the comprehensive program of the affected  
13 municipality for the development of qualifying transit  
14 facilities. On and after November 1, 1999 (the effective date  
15 of Public Act 91-478), no redevelopment plan may be approved or  
16 amended that includes the development of vacant land (i) with a  
17 golf course and related clubhouse and other facilities or (ii)  
18 designated by federal, State, county, or municipal government  
19 as public land for outdoor recreational activities or for  
20 nature preserves and used for that purpose within 5 years prior  
21 to the adoption of the redevelopment plan. For the purpose of  
22 this subsection, "recreational activities" is limited to mean  
23 camping and hunting. Each redevelopment plan shall set forth in  
24 writing the program to be undertaken to accomplish the  
25 objectives and shall include but not be limited to:

26 (A) an itemized list of estimated redevelopment



1 project costs;

2 (B) evidence indicating that the redevelopment project  
3 area on the whole has not been subject to growth and  
4 development through investment by private enterprise,  
5 provided that such evidence shall not be required for any  
6 redevelopment project area located within a transit  
7 facility improvement area established pursuant to Section  
8 11-74.4-3.3;

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

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

15 (E) the nature and term of the obligations to be  
16 issued;

17 (F) the most recent equalized assessed valuation of the  
18 redevelopment project area;

19 (G) an estimate as to the equalized assessed valuation  
20 after redevelopment and the general land uses to apply in  
21 the redevelopment project area;

22 (H) a commitment to fair employment practices and an  
23 affirmative action plan;

24 (I) if it concerns an industrial park conservation  
25 area, the plan shall also include a general description of  
26 any proposed developer, user and tenant of any property, a

1 description of the type, structure and general character of  
2 the facilities to be developed, a description of the type,  
3 class and number of new employees to be employed in the  
4 operation of the facilities to be developed; and

5 (J) if property is to be annexed to the municipality,  
6 the plan shall include the terms of the annexation  
7 agreement.

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

16 (1) The municipality finds that the redevelopment  
17 project area on the whole has not been subject to growth  
18 and development through investment by private enterprise  
19 and would not reasonably be anticipated to be developed  
20 without the adoption of the redevelopment plan, provided,  
21 however, that such a finding shall not be required with  
22 respect to any redevelopment project area located within a  
23 transit facility improvement area established pursuant to  
24 Section 11-74.4-3.3.

25 (2) The municipality finds that the redevelopment plan  
26 and project conform to the comprehensive plan for the

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

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

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

23 (3.5) The municipality finds, in the case of an  
24 industrial park conservation area, also that the  
25 municipality is a labor surplus municipality and that the  
26 implementation of the redevelopment plan will reduce

1 unemployment, create new jobs and by the provision of new  
2 facilities enhance the tax base of the taxing districts  
3 that extend into the redevelopment project area.

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

13 (5) If: (a) the redevelopment plan will not result in  
14 displacement of residents from 10 or more inhabited  
15 residential units, and the municipality certifies in the  
16 plan that such displacement will not result from the plan;  
17 or (b) the redevelopment plan is for a redevelopment  
18 project area located within a transit facility improvement  
19 area established pursuant to Section 11-74.4-3.3, and the  
20 applicable project is subject to the process for evaluation  
21 of environmental effects under the National Environmental  
22 Policy Act of 1969, 42 U.S.C. § 4321 et seq., then a  
23 housing impact study need not be performed. If, however,  
24 the redevelopment plan would result in the displacement of  
25 residents from 10 or more inhabited residential units, or  
26 if the redevelopment project area contains 75 or more

1       inhabited residential units and no certification is made,  
2       then the municipality shall prepare, as part of the  
3       separate feasibility report required by subsection (a) of  
4       Section 11-74.4-5, a housing impact study.

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

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

1 replacement housing for those residents whose residences  
2 are to be removed, and shall identify the type, location,  
3 and cost of the housing, and (iv) the type and extent of  
4 relocation assistance to be provided.

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

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

1 located in or near the redevelopment project area within  
2 the municipality.

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

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

24 (o) "Redevelopment project" means any public and private  
25 development project in furtherance of the objectives of a  
26 redevelopment plan. On and after November 1, 1999 (the

1 effective date of Public Act 91-478), no redevelopment plan may  
2 be approved or amended that includes the development of vacant  
3 land (i) with a golf course and related clubhouse and other  
4 facilities or (ii) designated by federal, State, county, or  
5 municipal government as public land for outdoor recreational  
6 activities or for nature preserves and used for that purpose  
7 within 5 years prior to the adoption of the redevelopment plan.  
8 For the purpose of this subsection, "recreational activities"  
9 is limited to mean camping and hunting.

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

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



1 project area.

2 (p-2) Notwithstanding any provision of this Act to the  
3 contrary, on and after the effective date of this amendatory  
4 Act of the 99th General Assembly, a redevelopment project area  
5 may include areas within a transit facility improvement area  
6 that has been established pursuant to Section 11-74.4-3.3  
7 without a finding that the area is classified as an industrial  
8 park conservation area, a blighted area, a conservation area,  
9 or any combination thereof.

10 (q) "Redevelopment project costs", except for  
11 redevelopment project areas created pursuant to subsections  
12 ~~subsection~~ (p-1) or (p-2), means and includes the sum total of  
13 all reasonable or necessary costs incurred or estimated to be  
14 incurred, and any such costs incidental to a redevelopment plan  
15 and a redevelopment project. Such costs include, without  
16 limitation, the following:

17 (1) Costs of studies, surveys, development of plans,  
18 and specifications, implementation and administration of  
19 the redevelopment plan including but not limited to staff  
20 and professional service costs for architectural,  
21 engineering, legal, financial, planning or other services,  
22 provided however that no charges for professional services  
23 may be based on a percentage of the tax increment  
24 collected; except that on and after November 1, 1999 (the  
25 effective date of Public Act 91-478), no contracts for  
26 professional services, excluding architectural and

1 engineering services, may be entered into if the terms of  
2 the contract extend beyond a period of 3 years. In  
3 addition, "redevelopment project costs" shall not include  
4 lobbying expenses. After consultation with the  
5 municipality, each tax increment consultant or advisor to a  
6 municipality that plans to designate or has designated a  
7 redevelopment project area shall inform the municipality  
8 in writing of any contracts that the consultant or advisor  
9 has entered into with entities or individuals that have  
10 received, or are receiving, payments financed by tax  
11 increment revenues produced by the redevelopment project  
12 area with respect to which the consultant or advisor has  
13 performed, or will be performing, service for the  
14 municipality. This requirement shall be satisfied by the  
15 consultant or advisor before the commencement of services  
16 for the municipality and thereafter whenever any other  
17 contracts with those individuals or entities are executed  
18 by the consultant or advisor;

19 (1.5) After July 1, 1999, annual administrative costs  
20 shall not include general overhead or administrative costs  
21 of the municipality that would still have been incurred by  
22 the municipality if the municipality had not designated a  
23 redevelopment project area or approved a redevelopment  
24 plan;

25 (1.6) The cost of marketing sites within the  
26 redevelopment project area to prospective businesses,

1 developers, and investors;

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

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

21 (4) Costs of the construction of public works or  
22 improvements, including any direct or indirect costs  
23 relating to Green Globes or LEED certified construction  
24 elements or construction elements with an equivalent  
25 certification, except that on and after November 1, 1999,  
26 redevelopment project costs shall not include the cost of

1 constructing a new municipal public building principally  
2 used to provide offices, storage space, or conference  
3 facilities or vehicle storage, maintenance, or repair for  
4 administrative, public safety, or public works personnel  
5 and that is not intended to replace an existing public  
6 building as provided under paragraph (3) of subsection (q)  
7 of Section 11-74.4-3 unless either (i) the construction of  
8 the new municipal building implements a redevelopment  
9 project that was included in a redevelopment plan that was  
10 adopted by the municipality prior to November 1, 1999, ~~or~~  
11 (ii) the municipality makes a reasonable determination in  
12 the redevelopment plan, supported by information that  
13 provides the basis for that determination, that the new  
14 municipal building is required to meet an increase in the  
15 need for public safety purposes anticipated to result from  
16 the implementation of the redevelopment plan, or (iii) the  
17 new municipal public building is for the storage,  
18 maintenance, or repair of transit vehicles and is located  
19 in a transit facility improvement area that has been  
20 established pursuant to Section 11-74.4-3.3;

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

25 (6) Financing costs, including but not limited to all  
26 necessary and incidental expenses related to the issuance

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

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

13 (7.5) For redevelopment project areas designated (or  
14 redevelopment project areas amended to add or increase the  
15 number of tax-increment-financing assisted housing units)  
16 on or after November 1, 1999, an elementary, secondary, or  
17 unit school district's increased costs attributable to  
18 assisted housing units located within the redevelopment  
19 project area for which the developer or redeveloper  
20 receives financial assistance through an agreement with  
21 the municipality or because the municipality incurs the  
22 cost of necessary infrastructure improvements within the  
23 boundaries of the assisted housing sites necessary for the  
24 completion of that housing as authorized by this Act, and  
25 which costs shall be paid by the municipality from the  
26 Special Tax Allocation Fund when the tax increment revenue

1 is received as a result of the assisted housing units and  
2 shall be calculated annually as follows:

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

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

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

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

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

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

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

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

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

23           (C) For any school district in a municipality with  
24           a population in excess of 1,000,000, the following  
25           restrictions shall apply to the reimbursement of  
26           increased costs under this paragraph (7.5):



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

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

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

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

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

4           (7.7) For redevelopment project areas designated (or  
5           redevelopment project areas amended to add or increase the  
6           number of tax-increment-financing assisted housing units)  
7           on or after January 1, 2005 (the effective date of Public  
8           Act 93-961), a public library district's increased costs  
9           attributable to assisted housing units located within the  
10          redevelopment project area for which the developer or  
11          redeveloper receives financial assistance through an  
12          agreement with the municipality or because the  
13          municipality incurs the cost of necessary infrastructure  
14          improvements within the boundaries of the assisted housing  
15          sites necessary for the completion of that housing as  
16          authorized by this Act shall be paid to the library  
17          district by the municipality from the Special Tax  
18          Allocation Fund when the tax increment revenue is received  
19          as a result of the assisted housing units. This paragraph  
20          (7.7) applies only if (i) the library district is located  
21          in a county that is subject to the Property Tax Extension  
22          Limitation Law or (ii) the library district is not located  
23          in a county that is subject to the Property Tax Extension  
24          Limitation Law but the district is prohibited by any other  
25          law from increasing its tax levy rate without a prior voter  
26          referendum.

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

23           A library district is not eligible for any payment  
24 under this paragraph (7.7) unless the library district has  
25 experienced an increase in the number of patrons from the  
26 municipality that created the tax-increment-financing

1 district since the designation of the redevelopment  
2 project area.

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

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

23 (9) Payment in lieu of taxes;

24 (10) Costs of job training, retraining, advanced  
25 vocational education or career education, including but  
26 not limited to courses in occupational, semi-technical or

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

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

25 (A) such costs are to be paid directly from the  
26 special tax allocation fund established pursuant to

1           this Act;

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

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

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

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

25                   (F) Instead of the eligible costs provided by  
26          subparagraphs (B) and (D) of paragraph (11), as

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

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

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



1           (11.5) If the redevelopment project area is located  
2 within a municipality with a population of more than  
3 100,000, the cost of day care services for children of  
4 employees from low-income families working for businesses  
5 located within the redevelopment project area and all or a  
6 portion of the cost of operation of day care centers  
7 established by redevelopment project area businesses to  
8 serve employees from low-income families working in  
9 businesses located in the redevelopment project area. For  
10 the purposes of this paragraph, "low-income families"  
11 means families whose annual income does not exceed 80% of  
12 the municipal, county, or regional median income, adjusted  
13 for family size, as the annual income and municipal,  
14 county, or regional median income are determined from time  
15 to time by the United States Department of Housing and  
16 Urban Development.

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

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

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

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

1 by the National Park Service of the United States  
2 Department of the Interior.

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

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

15 (q-2) For a redevelopment project area located within a  
16 transit facility improvement area established pursuant to  
17 Section 11-74.4-3.3, redevelopment project costs means those  
18 costs described in subsection (q) that are related to the  
19 construction, reconstruction, rehabilitation, remodeling, or  
20 repair of any existing or proposed transit facility.

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

1 Sales Tax Increment.

2 (s) "State Sales Tax Increment" means an amount equal to  
3 the increase in the aggregate amount of taxes paid by retailers  
4 and servicemen, other than retailers and servicemen subject to  
5 the Public Utilities Act, on transactions at places of business  
6 located within a State Sales Tax Boundary pursuant to the  
7 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use  
8 Tax Act, and the Service Occupation Tax Act, except such  
9 portion of such increase that is paid into the State and Local  
10 Sales Tax Reform Fund, the Local Government Distributive Fund,  
11 the Local Government Tax Fund and the County and Mass Transit  
12 District Fund, for as long as State participation exists, over  
13 and above the Initial Sales Tax Amounts, Adjusted Initial Sales  
14 Tax Amounts or the Revised Initial Sales Tax Amounts for such  
15 taxes as certified by the Department of Revenue and paid under  
16 those Acts by retailers and servicemen on transactions at  
17 places of business located within the State Sales Tax Boundary  
18 during the base year which shall be the calendar year  
19 immediately prior to the year in which the municipality adopted  
20 tax increment allocation financing, less 3.0% of such amounts  
21 generated under the Retailers' Occupation Tax Act, Use Tax Act  
22 and Service Use Tax Act and the Service Occupation Tax Act,  
23 which sum shall be appropriated to the Department of Revenue to  
24 cover its costs of administering and enforcing this Section.  
25 For purposes of computing the aggregate amount of such taxes  
26 for base years occurring prior to 1985, the Department of

1 Revenue shall compute the Initial Sales Tax Amount for such  
2 taxes and deduct therefrom an amount equal to 4% of the  
3 aggregate amount of taxes per year for each year the base year  
4 is prior to 1985, but not to exceed a total deduction of 12%.  
5 The amount so determined shall be known as the "Adjusted  
6 Initial Sales Tax Amount". For purposes of determining the  
7 State Sales Tax Increment the Department of Revenue shall for  
8 each period subtract from the tax amounts received from  
9 retailers and servicemen on transactions located in the State  
10 Sales Tax Boundary, the certified Initial Sales Tax Amounts,  
11 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax  
12 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,  
13 the Service Use Tax Act and the Service Occupation Tax Act. For  
14 the State Fiscal Year 1989 this calculation shall be made by  
15 utilizing the calendar year 1987 to determine the tax amounts  
16 received. For the State Fiscal Year 1990, this calculation  
17 shall be made by utilizing the period from January 1, 1988,  
18 until September 30, 1988, to determine the tax amounts received  
19 from retailers and servicemen, which shall have deducted  
20 therefrom nine-twelfths of the certified Initial Sales Tax  
21 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
22 Initial Sales Tax Amounts as appropriate. For the State Fiscal  
23 Year 1991, this calculation shall be made by utilizing the  
24 period from October 1, 1988, until June 30, 1989, to determine  
25 the tax amounts received from retailers and servicemen, which  
26 shall have deducted therefrom nine-twelfths of the certified

1 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax  
2 Amounts or the Revised Initial Sales Tax Amounts as  
3 appropriate. For every State Fiscal Year thereafter, the  
4 applicable period shall be the 12 months beginning July 1 and  
5 ending on June 30, to determine the tax amounts received which  
6 shall have deducted therefrom the certified Initial Sales Tax  
7 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
8 Initial Sales Tax Amounts. Municipalities intending to receive  
9 a distribution of State Sales Tax Increment must report a list  
10 of retailers to the Department of Revenue by October 31, 1988  
11 and by July 31, of each year thereafter.

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

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

22 (v) As used in subsection (a) of Section 11-74.4-3 of this  
23 Act, "vacant land" means any parcel or combination of parcels  
24 of real property without industrial, commercial, and  
25 residential buildings which has not been used for commercial  
26 agricultural purposes within 5 years prior to the designation

1 of the redevelopment project area, unless the parcel is  
2 included in an industrial park conservation area or the parcel  
3 has been subdivided; provided that if the parcel was part of a  
4 larger tract that has been divided into 3 or more smaller  
5 tracts that were accepted for recording during the period from  
6 1950 to 1990, then the parcel shall be deemed to have been  
7 subdivided, and all proceedings and actions of the municipality  
8 taken in that connection with respect to any previously  
9 approved or designated redevelopment project area or amended  
10 redevelopment project area are hereby validated and hereby  
11 declared to be legally sufficient for all purposes of this Act.  
12 For purposes of this Section and only for land subject to the  
13 subdivision requirements of the Plat Act, land is subdivided  
14 when the original plat of the proposed Redevelopment Project  
15 Area or relevant portion thereof has been properly certified,  
16 acknowledged, approved, and recorded or filed in accordance  
17 with the Plat Act and a preliminary plat, if any, for any  
18 subsequent phases of the proposed Redevelopment Project Area or  
19 relevant portion thereof has been properly approved and filed  
20 in accordance with the applicable ordinance of the  
21 municipality.

22 (w) "Annual Total Increment" means the sum of each  
23 municipality's annual Net Sales Tax Increment and each  
24 municipality's annual Net Utility Tax Increment. The ratio of  
25 the Annual Total Increment of each municipality to the Annual  
26 Total Increment for all municipalities, as most recently

1 calculated by the Department, shall determine the proportional  
2 shares of the Illinois Tax Increment Fund to be distributed to  
3 each municipality.

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

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

11 (Source: P.A. 96-328, eff. 8-11-09; 96-630, eff. 1-1-10;  
12 96-680, eff. 8-25-09; 96-1000, eff. 7-2-10; 97-101, eff.  
13 1-1-12.)

14 (65 ILCS 5/11-74.4-3.3 new)

15 Sec. 11-74.4-3.3. Redevelopment project area within a  
16 transit facility improvement area.

17 (a) As used in this Section:

18 "Redevelopment project area" means the area identified in:  
19 the Chicago Union Station Master Plan; the Chicago Transit  
20 Authority's Red and Purple Modernization Program; the Chicago  
21 Transit Authority's Red Line Extension Program; and the Chicago  
22 Transit Authority's Blue Line Modernization and Extension  
23 Program, each as may be amended from time to time after the  
24 effective date of this amendatory Act of the 99th General  
25 Assembly.



1       "Transit" means any one or more of the following  
2 transportation services provided to passengers: inter-city  
3 passenger rail service; commuter rail service; and urban mass  
4 transit rail service, whether elevated, underground, or  
5 running at grade, and whether provided through rolling stock  
6 generally referred to as heavy rail or light rail.

7       "Transit facility" means an existing or proposed transit  
8 passenger station, an existing or proposed transit  
9 maintenance, storage or service facility, or an existing or  
10 proposed right of way for use in providing transit services.

11       "Transit facility improvement area" means an area whose  
12 boundaries are no more than one-half mile in any direction from  
13 the location of a transit passenger station, or the existing or  
14 proposed right of way of transit facility, as applicable;  
15 provided that the length of any existing or proposed right of  
16 way or a transit passenger station included in any transit  
17 facility improvement area shall not exceed: 9 miles for the  
18 Chicago Transit Authority's Blue Line Modernization and  
19 Extension Program; 17 miles for the Chicago Transit Authority's  
20 Red and Purple Modernization Program (running from Madison  
21 Street North to Linden Avenue); and 20 miles for the Chicago  
22 Transit Authority's Red Line Extension Program (running from  
23 Madison Street South to 130th Street).

24       (b) Notwithstanding any other provision of law to the  
25 contrary, if the corporate authorities of a municipality  
26 designate an area within the territorial limits of the

1 municipality as a transit facility improvement area, then that  
2 municipality may establish one or more redevelopment project  
3 areas within that transit facility improvement area for the  
4 purpose of developing new transit facilities, expanding or  
5 rehabilitating existing transit facilities, or both. With  
6 respect to a transit facility whose right of way is located in  
7 more than one municipality, each municipality may designate an  
8 area within its territorial limits as a transit facility  
9 improvement area and may establish a redevelopment project area  
10 for each of the qualifying projects identified in subsection  
11 (a) of this Section.

12 (65 ILCS 5/11-74.4-3.5)

13 Sec. 11-74.4-3.5. Completion dates for redevelopment  
14 projects.

15 (a) Unless otherwise stated in this Section, the estimated  
16 dates of completion of the redevelopment project and retirement  
17 of obligations issued to finance redevelopment project costs  
18 (including refunding bonds under Section 11-74.4-7) may not be  
19 later than December 31 of the year in which the payment to the  
20 municipal treasurer, as provided in subsection (b) of Section  
21 11-74.4-8 of this Act, is to be made with respect to ad valorem  
22 taxes levied in the 23rd calendar year after the year in which  
23 the ordinance approving the redevelopment project area was  
24 adopted if the ordinance was adopted on or after January 15,  
25 1981.

1       (a-5) If the redevelopment project area is located within a  
2 transit facility improvement area established pursuant to  
3 Section 11-74.4-3, the estimated dates of completion of the  
4 redevelopment project and retirement of obligations issued to  
5 finance redevelopment project costs (including refunding bonds  
6 under Section 11-74.4-7) may not be later than December 31 of  
7 the year in which the payment to the municipal treasurer, as  
8 provided in subsection (b) of Section 11-74.4-8 of this  
9 amendatory Act of the 99th General Assembly, is to be made with  
10 respect to ad valorem taxes levied in the 35th calendar year  
11 after the year in which the ordinance approving the  
12 redevelopment project area was adopted.

13       (a-7) A municipality may adopt tax increment financing for  
14 a redevelopment project area located in a transit facility  
15 improvement area that also includes real property located  
16 within an existing redevelopment project area established  
17 prior to the effective date of this amendatory Act of 99th  
18 General Assembly. In such case: (i) the provisions of this  
19 Division shall apply with respect to the previously established  
20 redevelopment project area until the municipality adopts, as  
21 required in accordance with applicable provisions of this  
22 Division, an ordinance dissolving the special tax allocation  
23 fund for such redevelopment project area and terminating the  
24 designation of such redevelopment project area as a  
25 redevelopment project area; and (ii) after the effective date  
26 of the ordinance described in (i), the provisions of this

1 Division shall apply with respect to the subsequently  
2 established redevelopment project area located in a transit  
3 facility improvement area.

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

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

24 The estimated dates of completion of the redevelopment  
25 project and retirement of obligations issued to finance  
26 redevelopment project costs (including refunding bonds under

1 Section 11-74.4-7) may not be later than December 31 of the  
2 year in which the payment to the municipal treasurer as  
3 provided in subsection (b) of Section 11-74.4-8 of this Act is  
4 to be made with respect to ad valorem taxes levied in the 28th  
5 calendar year after the year in which the ordinance approving  
6 the redevelopment project area was adopted if the ordinance was  
7 adopted on October 12, 1989 by the City of Lawrenceville.

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

17 (1) If the ordinance was adopted before January 15,  
18 1981.

19 (2) If the ordinance was adopted in December 1983,  
20 April 1984, July 1985, or December 1989.

21 (3) If the ordinance was adopted in December 1987 and  
22 the redevelopment project is located within one mile of  
23 Midway Airport.

24 (4) If the ordinance was adopted before January 1, 1987  
25 by a municipality in Mason County.

26 (5) If the municipality is subject to the Local

1 Government Financial Planning and Supervision Act or the  
2 Financially Distressed City Law.

3 (6) If the ordinance was adopted in December 1984 by  
4 the Village of Rosemont.

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

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

17 (9) If the ordinance was adopted on November 12, 1991  
18 by the Village of Sauget.

19 (10) If the ordinance was adopted on February 11, 1985  
20 by the City of Rock Island.

21 (11) If the ordinance was adopted before December 18,  
22 1986 by the City of Moline.

23 (12) If the ordinance was adopted in September 1988 by  
24 Sauk Village.

25 (13) If the ordinance was adopted in October 1993 by  
26 Sauk Village.

1           (14) If the ordinance was adopted on December 29, 1986  
2 by the City of Galva.

3           (15) If the ordinance was adopted in March 1991 by the  
4 City of Centreville.

5           (16) If the ordinance was adopted on January 23, 1991  
6 by the City of East St. Louis.

7           (17) If the ordinance was adopted on December 22, 1986  
8 by the City of Aledo.

9           (18) If the ordinance was adopted on February 5, 1990  
10 by the City of Clinton.

11           (19) If the ordinance was adopted on September 6, 1994  
12 by the City of Freeport.

13           (20) If the ordinance was adopted on December 22, 1986  
14 by the City of Tuscola.

15           (21) If the ordinance was adopted on December 23, 1986  
16 by the City of Sparta.

17           (22) If the ordinance was adopted on December 23, 1986  
18 by the City of Beardstown.

19           (23) If the ordinance was adopted on April 27, 1981,  
20 October 21, 1985, or December 30, 1986 by the City of  
21 Belleville.

22           (24) If the ordinance was adopted on December 29, 1986  
23 by the City of Collinsville.

24           (25) If the ordinance was adopted on September 14, 1994  
25 by the City of Alton.

26           (26) If the ordinance was adopted on November 11, 1996

1 by the City of Lexington.

2 (27) If the ordinance was adopted on November 5, 1984  
3 by the City of LeRoy.

4 (28) If the ordinance was adopted on April 3, 1991 or  
5 June 3, 1992 by the City of Markham.

6 (29) If the ordinance was adopted on November 11, 1986  
7 by the City of Pekin.

8 (30) If the ordinance was adopted on December 15, 1981  
9 by the City of Champaign.

10 (31) If the ordinance was adopted on December 15, 1986  
11 by the City of Urbana.

12 (32) If the ordinance was adopted on December 15, 1986  
13 by the Village of Heyworth.

14 (33) If the ordinance was adopted on February 24, 1992  
15 by the Village of Heyworth.

16 (34) If the ordinance was adopted on March 16, 1995 by  
17 the Village of Heyworth.

18 (35) If the ordinance was adopted on December 23, 1986  
19 by the Town of Cicero.

20 (36) If the ordinance was adopted on December 30, 1986  
21 by the City of Effingham.

22 (37) If the ordinance was adopted on May 9, 1991 by the  
23 Village of Tilton.

24 (38) If the ordinance was adopted on October 20, 1986  
25 by the City of Elmhurst.

26 (39) If the ordinance was adopted on January 19, 1988



1 by the City of Waukegan.

2 (40) If the ordinance was adopted on September 21, 1998  
3 by the City of Waukegan.

4 (41) If the ordinance was adopted on December 31, 1986  
5 by the City of Sullivan.

6 (42) If the ordinance was adopted on December 23, 1991  
7 by the City of Sullivan.

8 (43) If the ordinance was adopted on December 31, 1986  
9 by the City of Oglesby.

10 (44) If the ordinance was adopted on July 28, 1987 by  
11 the City of Marion.

12 (45) If the ordinance was adopted on April 23, 1990 by  
13 the City of Marion.

14 (46) If the ordinance was adopted on August 20, 1985 by  
15 the Village of Mount Prospect.

16 (47) If the ordinance was adopted on February 2, 1998  
17 by the Village of Woodhull.

18 (48) If the ordinance was adopted on April 20, 1993 by  
19 the Village of Princeville.

20 (49) If the ordinance was adopted on July 1, 1986 by  
21 the City of Granite City.

22 (50) If the ordinance was adopted on February 2, 1989  
23 by the Village of Lombard.

24 (51) If the ordinance was adopted on December 29, 1986  
25 by the Village of Gardner.

26 (52) If the ordinance was adopted on July 14, 1999 by

1 the Village of Paw Paw.

2 (53) If the ordinance was adopted on November 17, 1986  
3 by the Village of Franklin Park.

4 (54) If the ordinance was adopted on November 20, 1989  
5 by the Village of South Holland.

6 (55) If the ordinance was adopted on July 14, 1992 by  
7 the Village of Riverdale.

8 (56) If the ordinance was adopted on December 29, 1986  
9 by the City of Galesburg.

10 (57) If the ordinance was adopted on April 1, 1985 by  
11 the City of Galesburg.

12 (58) If the ordinance was adopted on May 21, 1990 by  
13 the City of West Chicago.

14 (59) If the ordinance was adopted on December 16, 1986  
15 by the City of Oak Forest.

16 (60) If the ordinance was adopted in 1999 by the City  
17 of Villa Grove.

18 (61) If the ordinance was adopted on January 13, 1987  
19 by the Village of Mt. Zion.

20 (62) If the ordinance was adopted on December 30, 1986  
21 by the Village of Manteno.

22 (63) If the ordinance was adopted on April 3, 1989 by  
23 the City of Chicago Heights.

24 (64) If the ordinance was adopted on January 6, 1999 by  
25 the Village of Rosemont.

26 (65) If the ordinance was adopted on December 19, 2000

1 by the Village of Stone Park.

2 (66) If the ordinance was adopted on December 22, 1986  
3 by the City of DeKalb.

4 (67) If the ordinance was adopted on December 2, 1986  
5 by the City of Aurora.

6 (68) If the ordinance was adopted on December 31, 1986  
7 by the Village of Milan.

8 (69) If the ordinance was adopted on September 8, 1994  
9 by the City of West Frankfort.

10 (70) If the ordinance was adopted on December 23, 1986  
11 by the Village of Libertyville.

12 (71) If the ordinance was adopted on December 22, 1986  
13 by the Village of Hoffman Estates.

14 (72) If the ordinance was adopted on September 17, 1986  
15 by the Village of Sherman.

16 (73) If the ordinance was adopted on December 16, 1986  
17 by the City of Macomb.

18 (74) If the ordinance was adopted on June 11, 2002 by  
19 the City of East Peoria to create the West Washington  
20 Street TIF.

21 (75) If the ordinance was adopted on June 11, 2002 by  
22 the City of East Peoria to create the Camp Street TIF.

23 (76) If the ordinance was adopted on August 7, 2000 by  
24 the City of Des Plaines.

25 (77) If the ordinance was adopted on December 22, 1986  
26 by the City of Washington to create the Washington Square

1 TIF #2.

2 (78) If the ordinance was adopted on December 29, 1986  
3 by the City of Morris.

4 (79) If the ordinance was adopted on July 6, 1998 by  
5 the Village of Steeleville.

6 (80) If the ordinance was adopted on December 29, 1986  
7 by the City of Pontiac to create TIF I (the Main St TIF).

8 (81) If the ordinance was adopted on December 29, 1986  
9 by the City of Pontiac to create TIF II (the Interstate  
10 TIF).

11 (82) If the ordinance was adopted on November 6, 2002  
12 by the City of Chicago to create the Madden/Wells TIF  
13 District.

14 (83) If the ordinance was adopted on November 4, 1998  
15 by the City of Chicago to create the Roosevelt/Racine TIF  
16 District.

17 (84) If the ordinance was adopted on June 10, 1998 by  
18 the City of Chicago to create the Stony Island  
19 Commercial/Burnside Industrial Corridors TIF District.

20 (85) If the ordinance was adopted on November 29, 1989  
21 by the City of Chicago to create the Englewood Mall TIF  
22 District.

23 (86) If the ordinance was adopted on December 27, 1986  
24 by the City of Mendota.

25 (87) If the ordinance was adopted on December 31, 1986  
26 by the Village of Cahokia.

1           (88) If the ordinance was adopted on September 20, 1999  
2           by the City of Belleville.

3           (89) If the ordinance was adopted on December 30, 1986  
4           by the Village of Bellevue to create the Bellevue TIF  
5           District 1.

6           (90) If the ordinance was adopted on December 13, 1993  
7           by the Village of Crete.

8           (91) If the ordinance was adopted on February 12, 2001  
9           by the Village of Crete.

10          (92) If the ordinance was adopted on April 23, 2001 by  
11          the Village of Crete.

12          (93) If the ordinance was adopted on December 16, 1986  
13          by the City of Champaign.

14          (94) If the ordinance was adopted on December 20, 1986  
15          by the City of Charleston.

16          (95) If the ordinance was adopted on June 6, 1989 by  
17          the Village of Romeoville.

18          (96) If the ordinance was adopted on October 14, 1993  
19          and amended on August 2, 2010 by the City of Venice.

20          (97) If the ordinance was adopted on June 1, 1994 by  
21          the City of Markham.

22          (98) If the ordinance was adopted on May 19, 1998 by  
23          the Village of Bensenville.

24          (99) If the ordinance was adopted on November 12, 1987  
25          by the City of Dixon.

26          (100) If the ordinance was adopted on December 20, 1988

1 by the Village of Lansing.

2 (101) If the ordinance was adopted on October 27, 1998  
3 by the City of Moline.

4 (102) If the ordinance was adopted on May 21, 1991 by  
5 the Village of Glenwood.

6 (103) If the ordinance was adopted on January 28, 1992  
7 by the City of East Peoria.

8 (104) If the ordinance was adopted on December 14, 1998  
9 by the City of Carlyle.

10 (105) If the ordinance was adopted on May 17, 2000, as  
11 subsequently amended, by the City of Chicago to create the  
12 Midwest Redevelopment TIF District.

13 (106) If the ordinance was adopted on September 13,  
14 1989 by the City of Chicago to create the Michigan/Cermak  
15 Area TIF District.

16 (107) If the ordinance was adopted on March 30, 1992 by  
17 the Village of Ohio.

18 (108) If the ordinance was adopted on July 6, 1998 by  
19 the Village of Orangeville.

20 (109) If the ordinance was adopted on December 16, 1997  
21 by the Village of Germantown.

22 (110) If the ordinance was adopted on April 28, 2003 by  
23 Gibson City.

24 (111) If the ordinance was adopted on December 18, 1990  
25 by the Village of Washington Park, but only after the  
26 Village of Washington Park becomes compliant with the

1 reporting requirements under subsection (d) of Section  
2 11-74.4-5, and after the State Comptroller's certification  
3 of such compliance.

4 (112) If the ordinance was adopted on February 28, 2000  
5 by the City of Harvey.

6 (113) If the ordinance was adopted on January 11, 1991  
7 by the City of Chicago to create the Read/Dunning TIF  
8 District.

9 (114) If the ordinance was adopted on July 24, 1991 by  
10 the City of Chicago to create the Sanitary and Ship Canal  
11 TIF District.

12 (115) If the ordinance was adopted on December 4, 2007  
13 by the City of Naperville.

14 (116) If the ordinance was adopted on July 1, 2002 by  
15 the Village of Arlington Heights.

16 (117) If the ordinance was adopted on February 11, 1991  
17 by the Village of Machesney Park.

18 (118) If the ordinance was adopted on December 29, 1993  
19 by the City of Ottawa.

20 (119) If the ordinance was adopted on June 4, 1991 by  
21 the Village of Lansing.

22 (120) If the ordinance was adopted on February 10, 2004  
23 by the Village of Fox Lake.

24 (121) If the ordinance was adopted on December 22, 1992  
25 by the City of Fairfield.

26 (122) If the ordinance was adopted on February 10, 1992

1 by the City of Mt. Sterling.

2 (123) If the ordinance was adopted on March 15, 2004 by  
3 the City of Batavia.

4 (124) If the ordinance was adopted on March 18, 2002 by  
5 the Village of Lake Zurich.

6 (125) If the ordinance was adopted on September 23,  
7 1997 by the City of Granite City.

8 (126) If the ordinance was adopted on May 8, 2013 by  
9 the Village of Rosemont to create the Higgins Road/River  
10 Road TIF District No. 6.

11 (127) If the ordinance was adopted on November 22, 1993  
12 by the City of Arcola.

13 (128) If the ordinance was adopted on September 7, 2004  
14 by the City of Arcola.

15 (129) If the ordinance was adopted on November 29, 1999  
16 by the City of Paris.

17 (130) If the ordinance was adopted on September 20,  
18 1994 by the City of Ottawa to create the U.S. Route 6 East  
19 Ottawa TIF.

20 (131) If the ordinance was adopted on May 2, 2002 by  
21 the Village of Crestwood.

22 (132) If the ordinance was adopted on October 27, 1992  
23 by the City of Blue Island.

24 (133) If the ordinance was adopted on December 23, 1993  
25 by the City of Lacon.

26 (134) If the ordinance was adopted on May 4, 1998 by



1           the Village of Bradford.

2           (135) If the ordinance was adopted on June 11, 2002 by  
3           the City of Oak Forest.

4           (136) If the ordinance was adopted on November 16, 1992  
5           by the City of Pinckneyville.

6           (137) If the ordinance was adopted on March 1, 2001 by  
7           the Village of South Jacksonville.

8           (138) If the ordinance was adopted on February 26, 1992  
9           by the City of Chicago to create the Stockyards Southeast  
10          Quadrant TIF District.

11          (139) If the ordinance was adopted on January 25, 1993  
12          by the City of LaSalle.

13          (140) If the ordinance was adopted on December 23, 1997  
14          by the Village of Dieterich.

15          (141) If the ordinance was adopted on February 10, 2016  
16          by the Village of Rosemont to create the Balmoral/Pearl TIF  
17          No. 8 Tax Increment Financing Redevelopment Project Area.

18          (d) For redevelopment project areas for which bonds were  
19          issued before July 29, 1991, or for which contracts were  
20          entered into before June 1, 1988, in connection with a  
21          redevelopment project in the area within the State Sales Tax  
22          Boundary, the estimated dates of completion of the  
23          redevelopment project and retirement of obligations to finance  
24          redevelopment project costs (including refunding bonds under  
25          Section 11-74.4-7) may be extended by municipal ordinance to  
26          December 31, 2013. The termination procedures of subsection (b)

1 of Section 11-74.4-8 are not required for these redevelopment  
2 project areas in 2009 but are required in 2013. The extension  
3 allowed by Public Act 87-1272 shall not apply to real property  
4 tax increment allocation financing under Section 11-74.4-8.

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

17 (f) Those dates, for purposes of real property tax  
18 increment allocation financing pursuant to Section 11-74.4-8  
19 only, shall be not more than 35 years for redevelopment project  
20 areas that were established on or after December 1, 1981 but  
21 before January 1, 1982 and for which at least \$1,500,000 worth  
22 of tax increment revenue bonds were authorized on or after  
23 September 30, 1990 but before July 1, 1991; provided that the  
24 municipality elects to extend the life of the redevelopment  
25 project area to 35 years by the adoption of an ordinance after  
26 at least 14 but not more than 30 days' written notice to the

1 taxing bodies, that would otherwise constitute the joint review  
2 board for the redevelopment project area, before the adoption  
3 of the ordinance.

4 (f-5) Those dates, for purposes of real property tax  
5 increment allocation financing pursuant to Section 11-74.4-8  
6 only, shall be not more than 47 years for redevelopment project  
7 areas that were established on December 29, 1981 by the City of  
8 Springfield; provided that (i) the city of Springfield adopts  
9 an ordinance extending the life of the redevelopment project  
10 area to 47 years and (ii) the City of Springfield provides  
11 notice to the taxing bodies that would otherwise constitute the  
12 joint review board for the redevelopment project area not more  
13 than 30 and not less than 14 days prior to the adoption of that  
14 ordinance.

15 (g) In consolidating the material relating to completion  
16 dates from Sections 11-74.4-3 and 11-74.4-7 into this Section,  
17 it is not the intent of the General Assembly to make any  
18 substantive change in the law, except for the extension of the  
19 completion dates for the City of Aurora, the Village of Milan,  
20 the City of West Frankfort, the Village of Libertyville, and  
21 the Village of Hoffman Estates set forth under items (67),  
22 (68), (69), (70), and (71) of subsection (c) of this Section.

23 (Source: P.A. 98-109, eff. 7-25-13; 98-135, eff. 8-2-13;  
24 98-230, eff. 8-9-13; 98-463, eff. 8-16-13; 98-614, eff.  
25 12-27-13; 98-667, eff. 6-25-14; 98-889, eff. 8-15-14; 98-893,  
26 eff. 8-15-14; 98-1064, eff. 8-26-14; 98-1136, eff. 12-29-14;

1 98-1153, eff. 1-9-15; 98-1157, eff. 1-9-15; 98-1159, eff.  
2 1-9-15; 99-78, eff. 7-20-15; 99-136, eff. 7-24-15; 99-263, eff.  
3 8-4-15; 99-361, eff. 1-1-16; 99-394, eff. 8-18-15; 99-495, eff.  
4 12-17-15.)

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

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

25 A municipality may:

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

22           (b) Make and enter into all contracts with property owners,  
23 developers, tenants, overlapping taxing bodies, and others  
24 necessary or incidental to the implementation and furtherance  
25 of its redevelopment plan and project. Contract provisions  
26 concerning loan repayment obligations in contracts entered

1 into on or after the effective date of this amendatory Act of  
2 the 93rd General Assembly shall terminate no later than the  
3 last to occur of the estimated dates of completion of the  
4 redevelopment project and retirement of the obligations issued  
5 to finance redevelopment project costs as required by item (3)  
6 of subsection (n) of Section 11-74.4-3. Payments received under  
7 contracts entered into by the municipality prior to the  
8 effective date of this amendatory Act of the 93rd General  
9 Assembly that are received after the redevelopment project area  
10 has been terminated by municipal ordinance shall be deposited  
11 into a special fund of the municipality to be used for other  
12 community redevelopment needs within the redevelopment project  
13 area.

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

1 disposition of land owned by a municipality or agreement  
2 relating to the development of such municipal property shall be  
3 made without making public disclosure of the terms of the  
4 disposition and all bids and proposals made in response to the  
5 municipality's request. The procedures for obtaining such bids  
6 and proposals shall provide reasonable opportunity for any  
7 person to submit alternative proposals or bids.

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

10 (e) Within a redevelopment project area, renovate or  
11 rehabilitate or construct any structure or building, as  
12 permitted under this Act.

13 (f) Install, repair, construct, reconstruct or relocate  
14 streets, utilities and site improvements essential to the  
15 preparation of the redevelopment area for use in accordance  
16 with a redevelopment plan.

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

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

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

26 (j) Incur project redevelopment costs and reimburse

1 developers who incur redevelopment project costs authorized by  
2 a redevelopment agreement; provided, however, that on and after  
3 the effective date of this amendatory Act of the 91st General  
4 Assembly, no municipality shall incur redevelopment project  
5 costs (except for planning costs and any other eligible costs  
6 authorized by municipal ordinance or resolution that are  
7 subsequently included in the redevelopment plan for the area  
8 and are incurred by the municipality after the ordinance or  
9 resolution is adopted) that are not consistent with the program  
10 for accomplishing the objectives of the redevelopment plan as  
11 included in that plan and approved by the municipality until  
12 the municipality has amended the redevelopment plan as provided  
13 elsewhere in this Act.

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



1 the corporate authorities concerning the adoption of  
2 redevelopment plans, redevelopment projects and designation of  
3 redevelopment project areas.

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

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

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

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

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

20 (o) Create a Tax Increment Economic Development Advisory  
21 Committee to be appointed by the Mayor or President of the  
22 municipality with the consent of the majority of the governing  
23 board of the municipality, the members of which Committee shall  
24 be appointed for initial terms of 1, 2, 3, 4 and 5 years  
25 respectively, in such numbers as to provide that the terms of  
26 not more than 1/3 of all such members shall expire in any one

1 year. Their successors shall be appointed for a term of 5  
2 years. The Committee shall have none of the powers enumerated  
3 in this Section. The Committee shall serve in an advisory  
4 capacity only. The Committee may advise the governing Board of  
5 the municipality and other municipal officials regarding  
6 development issues and opportunities within the redevelopment  
7 project area or the area within the State Sales Tax Boundary.  
8 The Committee may also promote and publicize development  
9 opportunities in the redevelopment project area or the area  
10 within the State Sales Tax Boundary.

11 (p) Municipalities may jointly undertake and perform  
12 redevelopment plans and projects and utilize the provisions of  
13 the Act wherever they have contiguous redevelopment project  
14 areas or they determine to adopt tax increment financing with  
15 respect to a redevelopment project area which includes  
16 contiguous real property within the boundaries of the  
17 municipalities, and in doing so, they may, by agreement between  
18 municipalities, issue obligations, separately or jointly, and  
19 expend revenues received under the Act for eligible expenses  
20 anywhere within contiguous redevelopment project areas or as  
21 otherwise permitted in the Act. With respect to redevelopment  
22 project areas that are established within a transit facility  
23 improvement area, the provisions of this subsection apply only  
24 with respect to such redevelopment project areas that are  
25 contiguous to each other.

26 (q) Utilize revenues, other than State sales tax increment

1 revenues, received under this Act from one redevelopment  
2 project area for eligible costs in another redevelopment  
3 project area that is:

4 (i) contiguous to the redevelopment project area from  
5 which the revenues are received;

6 (ii) separated only by a public right of way from the  
7 redevelopment project area from which the revenues are  
8 received; or

9 (iii) separated only by forest preserve property from  
10 the redevelopment project area from which the revenues are  
11 received if the closest boundaries of the redevelopment  
12 project areas that are separated by the forest preserve  
13 property are less than one mile apart.

14 Utilize tax increment revenues for eligible costs that are  
15 received from a redevelopment project area created under the  
16 Industrial Jobs Recovery Law that is either contiguous to, or  
17 is separated only by a public right of way from, the  
18 redevelopment project area created under this Act which  
19 initially receives these revenues. Utilize revenues, other  
20 than State sales tax increment revenues, by transferring or  
21 loaning such revenues to a redevelopment project area created  
22 under the Industrial Jobs Recovery Law that is either  
23 contiguous to, or separated only by a public right of way from  
24 the redevelopment project area that initially produced and  
25 received those revenues; and, if the redevelopment project area  
26 (i) was established before the effective date of this

1 amendatory Act of the 91st General Assembly and (ii) is located  
2 within a municipality with a population of more than 100,000,  
3 utilize revenues or proceeds of obligations authorized by  
4 Section 11-74.4-7 of this Act, other than use or occupation tax  
5 revenues, to pay for any redevelopment project costs as defined  
6 by subsection (q) of Section 11-74.4-3 to the extent that the  
7 redevelopment project costs involve public property that is  
8 either contiguous to, or separated only by a public right of  
9 way from, a redevelopment project area whether or not  
10 redevelopment project costs or the source of payment for the  
11 costs are specifically set forth in the redevelopment plan for  
12 the redevelopment project area.

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

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

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

18           (65 ILCS 5/11-74.4-6) (from Ch. 24, par. 11-74.4-6)

19           Sec. 11-74.4-6. (a) Except as provided herein, notice of  
20 the public hearing shall be given by publication and mailing;  
21 provided, however, that no notice by mailing shall be required  
22 under this subsection (a) with respect to any redevelopment  
23 project area located within a transit facility improvement area  
24 established pursuant to Section 11-74.4-3.3. Notice by  
25 publication shall be given by publication at least twice, the

1 first publication to be not more than 30 nor less than 10 days  
2 prior to the hearing in a newspaper of general circulation  
3 within the taxing districts having property in the proposed  
4 redevelopment project area. Notice by mailing shall be given by  
5 depositing such notice in the United States mails by certified  
6 mail addressed to the person or persons in whose name the  
7 general taxes for the last preceding year were paid on each  
8 lot, block, tract, or parcel of land lying within the project  
9 redevelopment area. Said notice shall be mailed not less than  
10 10 days prior to the date set for the public hearing. In the  
11 event taxes for the last preceding year were not paid, the  
12 notice shall also be sent to the persons last listed on the tax  
13 rolls within the preceding 3 years as the owners of such  
14 property. For redevelopment project areas with redevelopment  
15 plans or proposed redevelopment plans that would require  
16 removal of 10 or more inhabited residential units or that  
17 contain 75 or more inhabited residential units, the  
18 municipality shall make a good faith effort to notify by mail  
19 all residents of the redevelopment project area. At a minimum,  
20 the municipality shall mail a notice to each residential  
21 address located within the redevelopment project area. The  
22 municipality shall endeavor to ensure that all such notices are  
23 effectively communicated and shall include (in addition to  
24 notice in English) notice in the predominant language other  
25 than English when appropriate.

26 (b) The notices issued pursuant to this Section shall



1 include the following:

2 (1) The time and place of public hearing.

3 (2) The boundaries of the proposed redevelopment  
4 project area by legal description and by street location  
5 where possible.

6 (3) A notification that all interested persons will be  
7 given an opportunity to be heard at the public hearing.

8 (4) A description of the redevelopment plan or  
9 redevelopment project for the proposed redevelopment  
10 project area if a plan or project is the subject matter of  
11 the hearing.

12 (5) Such other matters as the municipality may deem  
13 appropriate.

14 (c) Not less than 45 days prior to the date set for  
15 hearing, the municipality shall give notice by mail as provided  
16 in subsection (a) to all taxing districts of which taxable  
17 property is included in the redevelopment project area, project  
18 or plan and to the Department of Commerce and Economic  
19 Opportunity, and in addition to the other requirements under  
20 subsection (b) the notice shall include an invitation to the  
21 Department of Commerce and Economic Opportunity and each taxing  
22 district to submit comments to the municipality concerning the  
23 subject matter of the hearing prior to the date of hearing.

24 (d) In the event that any municipality has by ordinance  
25 adopted tax increment financing prior to 1987, and has complied  
26 with the notice requirements of this Section, except that the

1 notice has not included the requirements of subsection (b),  
2 paragraphs (2), (3) and (4), and within 90 days of the  
3 effective date of this amendatory Act of 1991, that  
4 municipality passes an ordinance which contains findings that:  
5 (1) all taxing districts prior to the time of the hearing  
6 required by Section 11-74.4-5 were furnished with copies of a  
7 map incorporated into the redevelopment plan and project  
8 substantially showing the legal boundaries of the  
9 redevelopment project area; (2) the redevelopment plan and  
10 project, or a draft thereof, contained a map substantially  
11 showing the legal boundaries of the redevelopment project area  
12 and was available to the public at the time of the hearing; and  
13 (3) since the adoption of any form of tax increment financing  
14 authorized by this Act, and prior to June 1, 1991, no objection  
15 or challenge has been made in writing to the municipality in  
16 respect to the notices required by this Section, then the  
17 municipality shall be deemed to have met the notice  
18 requirements of this Act and all actions of the municipality  
19 taken in connection with such notices as were given are hereby  
20 validated and hereby declared to be legally sufficient for all  
21 purposes of this Act.

22 (e) If a municipality desires to propose a redevelopment  
23 plan for a redevelopment project area that would result in the  
24 displacement of residents from 10 or more inhabited residential  
25 units or for a redevelopment project area that contains 75 or  
26 more inhabited residential units, the municipality shall hold a

1 public meeting before the mailing of the notices of public  
2 hearing as provided in subsection (c) of this Section. However,  
3 such a meeting shall be required for any redevelopment plan for  
4 a redevelopment project area located within a transit facility  
5 improvement area established pursuant to Section 11-74.4-3.3  
6 if the applicable project is subject to the process for  
7 evaluation of environmental effects under the National  
8 Environmental Policy Act of 1969, 42 U.S.C. § 4321 et seq. The  
9 meeting shall be for the purpose of enabling the municipality  
10 to advise the public, taxing districts having real property in  
11 the redevelopment project area, taxpayers who own property in  
12 the proposed redevelopment project area, and residents in the  
13 area as to the municipality's possible intent to prepare a  
14 redevelopment plan and designate a redevelopment project area  
15 and to receive public comment. The time and place for the  
16 meeting shall be set by the head of the municipality's  
17 Department of Planning or other department official designated  
18 by the mayor or city or village manager without the necessity  
19 of a resolution or ordinance of the municipality and may be  
20 held by a member of the staff of the Department of Planning of  
21 the municipality or by any other person, body, or commission  
22 designated by the corporate authorities. The meeting shall be  
23 held at least 14 business days before the mailing of the notice  
24 of public hearing provided for in subsection (c) of this  
25 Section.

26 Notice of the public meeting shall be given by mail. Notice

1 by mail shall be not less than 15 days before the date of the  
2 meeting and shall be sent by certified mail to all taxing  
3 districts having real property in the proposed redevelopment  
4 project area and to all entities requesting that information  
5 that have registered with a person and department designated by  
6 the municipality in accordance with registration guidelines  
7 established by the municipality pursuant to Section  
8 11-74.4-4.2. The municipality shall make a good faith effort to  
9 notify all residents and the last known persons who paid  
10 property taxes on real estate in a redevelopment project area.  
11 This requirement shall be deemed to be satisfied if the  
12 municipality mails, by regular mail, a notice to each  
13 residential address and the person or persons in whose name  
14 property taxes were paid on real property for the last  
15 preceding year located within the redevelopment project area.  
16 Notice shall be in languages other than English when  
17 appropriate. The notices issued under this subsection shall  
18 include the following:

19 (1) The time and place of the meeting.

20 (2) The boundaries of the area to be studied for  
21 possible designation as a redevelopment project area by  
22 street and location.

23 (3) The purpose or purposes of establishing a  
24 redevelopment project area.

25 (4) A brief description of tax increment financing.

26 (5) The name, telephone number, and address of the

1 person who can be contacted for additional information  
2 about the proposed redevelopment project area and who  
3 should receive all comments and suggestions regarding the  
4 development of the area to be studied.

5 (6) Notification that all interested persons will be  
6 given an opportunity to be heard at the public meeting.

7 (7) Such other matters as the municipality deems  
8 appropriate.

9 At the public meeting, any interested person or  
10 representative of an affected taxing district may be heard  
11 orally and may file, with the person conducting the meeting,  
12 statements that pertain to the subject matter of the meeting.

13 (Source: P.A. 94-793, eff. 5-19-06; 95-331, eff. 8-21-07.)

14 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

15 Sec. 11-74.4-8. Tax increment allocation financing. A  
16 municipality may not adopt tax increment financing in a  
17 redevelopment project area after the effective date of this  
18 amendatory Act of 1997 that will encompass an area that is  
19 currently included in an enterprise zone created under the  
20 Illinois Enterprise Zone Act unless that municipality,  
21 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,  
22 amends the enterprise zone designating ordinance to limit the  
23 eligibility for tax abatements as provided in Section 5.4.1 of  
24 the Illinois Enterprise Zone Act. A municipality, at the time a  
25 redevelopment project area is designated, may adopt tax

1 increment allocation financing by passing an ordinance  
2 providing that the ad valorem taxes, if any, arising from the  
3 levies upon taxable real property in such redevelopment project  
4 area by taxing districts and tax rates determined in the manner  
5 provided in paragraph (c) of Section 11-74.4-9 each year after  
6 the effective date of the ordinance until redevelopment project  
7 costs and all municipal obligations financing redevelopment  
8 project costs incurred under this Division have been paid shall  
9 be divided as follows, provided, however, that with respect to  
10 any redevelopment project area located within a transit  
11 facility improvement area established pursuant to Section  
12 11-74.4-3.3 in a municipality with a population of 1,000,000 or  
13 more, ad valorem taxes, if any, arising from the levies upon  
14 taxable real property in such redevelopment project area shall  
15 be allocated as specifically provided in this Section:

16 (a) That portion of taxes levied upon each taxable lot,  
17 block, tract or parcel of real property which is attributable  
18 to the lower of the current equalized assessed value or the  
19 initial equalized assessed value of each such taxable lot,  
20 block, tract or parcel of real property in the redevelopment  
21 project area shall be allocated to and when collected shall be  
22 paid by the county collector to the respective affected taxing  
23 districts in the manner required by law in the absence of the  
24 adoption of tax increment allocation financing.

25 (b) Except from a tax levied by a township to retire bonds  
26 issued to satisfy court-ordered damages, that portion, if any,

1 of such taxes which is attributable to the increase in the  
2 current equalized assessed valuation of each taxable lot,  
3 block, tract or parcel of real property in the redevelopment  
4 project area over and above the initial equalized assessed  
5 value of each property in the project area shall be allocated  
6 to and when collected shall be paid to the municipal treasurer  
7 who shall deposit said taxes into a special fund called the  
8 special tax allocation fund of the municipality for the purpose  
9 of paying redevelopment project costs and obligations incurred  
10 in the payment thereof. In any county with a population of  
11 3,000,000 or more that has adopted a procedure for collecting  
12 taxes that provides for one or more of the installments of the  
13 taxes to be billed and collected on an estimated basis, the  
14 municipal treasurer shall be paid for deposit in the special  
15 tax allocation fund of the municipality, from the taxes  
16 collected from estimated bills issued for property in the  
17 redevelopment project area, the difference between the amount  
18 actually collected from each taxable lot, block, tract, or  
19 parcel of real property within the redevelopment project area  
20 and an amount determined by multiplying the rate at which taxes  
21 were last extended against the taxable lot, block, track, or  
22 parcel of real property in the manner provided in subsection  
23 (c) of Section 11-74.4-9 by the initial equalized assessed  
24 value of the property divided by the number of installments in  
25 which real estate taxes are billed and collected within the  
26 county; provided that the payments on or before December 31,

1 1999 to a municipal treasurer shall be made only if each of the  
2 following conditions are met:

3 (1) The total equalized assessed value of the  
4 redevelopment project area as last determined was not less  
5 than 175% of the total initial equalized assessed value.

6 (2) Not more than 50% of the total equalized assessed  
7 value of the redevelopment project area as last determined  
8 is attributable to a piece of property assigned a single  
9 real estate index number.

10 (3) The municipal clerk has certified to the county  
11 clerk that the municipality has issued its obligations to  
12 which there has been pledged the incremental property taxes  
13 of the redevelopment project area or taxes levied and  
14 collected on any or all property in the municipality or the  
15 full faith and credit of the municipality to pay or secure  
16 payment for all or a portion of the redevelopment project  
17 costs. The certification shall be filed annually no later  
18 than September 1 for the estimated taxes to be distributed  
19 in the following year; however, for the year 1992 the  
20 certification shall be made at any time on or before March  
21 31, 1992.

22 (4) The municipality has not requested that the total  
23 initial equalized assessed value of real property be  
24 adjusted as provided in subsection (b) of Section  
25 11-74.4-9.

26 The conditions of paragraphs (1) through (4) do not apply



1 after December 31, 1999 to payments to a municipal treasurer  
2 made by a county with 3,000,000 or more inhabitants that has  
3 adopted an estimated billing procedure for collecting taxes. If  
4 a county that has adopted the estimated billing procedure makes  
5 an erroneous overpayment of tax revenue to the municipal  
6 treasurer, then the county may seek a refund of that  
7 overpayment. The county shall send the municipal treasurer a  
8 notice of liability for the overpayment on or before the  
9 mailing date of the next real estate tax bill within the  
10 county. The refund shall be limited to the amount of the  
11 overpayment.

12 It is the intent of this Division that after the effective  
13 date of this amendatory Act of 1988 a municipality's own ad  
14 valorem tax arising from levies on taxable real property be  
15 included in the determination of incremental revenue in the  
16 manner provided in paragraph (c) of Section 11-74.4-9. If the  
17 municipality does not extend such a tax, it shall annually  
18 deposit in the municipality's Special Tax Increment Fund an  
19 amount equal to 10% of the total contributions to the fund from  
20 all other taxing districts in that year. The annual 10% deposit  
21 required by this paragraph shall be limited to the actual  
22 amount of municipally produced incremental tax revenues  
23 available to the municipality from taxpayers located in the  
24 redevelopment project area in that year if: (a) the plan for  
25 the area restricts the use of the property primarily to  
26 industrial purposes, (b) the municipality establishing the

1 redevelopment project area is a home-rule community with a 1990  
2 population of between 25,000 and 50,000, (c) the municipality  
3 is wholly located within a county with a 1990 population of  
4 over 750,000 and (d) the redevelopment project area was  
5 established by the municipality prior to June 1, 1990. This  
6 payment shall be in lieu of a contribution of ad valorem taxes  
7 on real property. If no such payment is made, any redevelopment  
8 project area of the municipality shall be dissolved.

9 If a municipality has adopted tax increment allocation  
10 financing by ordinance and the County Clerk thereafter  
11 certifies the "total initial equalized assessed value as  
12 adjusted" of the taxable real property within such  
13 redevelopment project area in the manner provided in paragraph  
14 (b) of Section 11-74.4-9, each year after the date of the  
15 certification of the total initial equalized assessed value as  
16 adjusted until redevelopment project costs and all municipal  
17 obligations financing redevelopment project costs have been  
18 paid the ad valorem taxes, if any, arising from the levies upon  
19 the taxable real property in such redevelopment project area by  
20 taxing districts and tax rates determined in the manner  
21 provided in paragraph (c) of Section 11-74.4-9 shall be divided  
22 as follows, provided, however, that with respect to any  
23 redevelopment project area located within a transit facility  
24 improvement area established pursuant to Section 11-74.4-3.3  
25 in a municipality with a population of 1,000,000 or more, ad  
26 valorem taxes, if any, arising from the levies upon the taxable

1 real property in such redevelopment project area shall be  
2 allocated as specifically provided in this Section:

3 (1) That portion of the taxes levied upon each taxable  
4 lot, block, tract or parcel of real property which is  
5 attributable to the lower of the current equalized assessed  
6 value or "current equalized assessed value as adjusted" or  
7 the initial equalized assessed value of each such taxable  
8 lot, block, tract, or parcel of real property existing at  
9 the time tax increment financing was adopted, minus the  
10 total current homestead exemptions under Article 15 of the  
11 Property Tax Code in the redevelopment project area shall  
12 be allocated to and when collected shall be paid by the  
13 county collector to the respective affected taxing  
14 districts in the manner required by law in the absence of  
15 the adoption of tax increment allocation financing.

16 (2) That portion, if any, of such taxes which is  
17 attributable to the increase in the current equalized  
18 assessed valuation of each taxable lot, block, tract, or  
19 parcel of real property in the redevelopment project area,  
20 over and above the initial equalized assessed value of each  
21 property existing at the time tax increment financing was  
22 adopted, minus the total current homestead exemptions  
23 pertaining to each piece of property provided by Article 15  
24 of the Property Tax Code in the redevelopment project area,  
25 shall be allocated to and when collected shall be paid to  
26 the municipal Treasurer, who shall deposit said taxes into

1 a special fund called the special tax allocation fund of  
2 the municipality for the purpose of paying redevelopment  
3 project costs and obligations incurred in the payment  
4 thereof.

5 The municipality may pledge in the ordinance the funds in  
6 and to be deposited in the special tax allocation fund for the  
7 payment of such costs and obligations. No part of the current  
8 equalized assessed valuation of each property in the  
9 redevelopment project area attributable to any increase above  
10 the total initial equalized assessed value, or the total  
11 initial equalized assessed value as adjusted, of such  
12 properties shall be used in calculating the general State  
13 school aid formula, provided for in Section 18-8 of the School  
14 Code, until such time as all redevelopment project costs have  
15 been paid as provided for in this Section.

16 Whenever a municipality issues bonds for the purpose of  
17 financing redevelopment project costs, such municipality may  
18 provide by ordinance for the appointment of a trustee, which  
19 may be any trust company within the State, and for the  
20 establishment of such funds or accounts to be maintained by  
21 such trustee as the municipality shall deem necessary to  
22 provide for the security and payment of the bonds. If such  
23 municipality provides for the appointment of a trustee, such  
24 trustee shall be considered the assignee of any payments  
25 assigned by the municipality pursuant to such ordinance and  
26 this Section. Any amounts paid to such trustee as assignee

1 shall be deposited in the funds or accounts established  
2 pursuant to such trust agreement, and shall be held by such  
3 trustee in trust for the benefit of the holders of the bonds,  
4 and such holders shall have a lien on and a security interest  
5 in such funds or accounts so long as the bonds remain  
6 outstanding and unpaid. Upon retirement of the bonds, the  
7 trustee shall pay over any excess amounts held to the  
8 municipality for deposit in the special tax allocation fund.

9 When such redevelopment projects costs, including without  
10 limitation all municipal obligations financing redevelopment  
11 project costs incurred under this Division, have been paid, all  
12 surplus funds then remaining in the special tax allocation fund  
13 shall be distributed by being paid by the municipal treasurer  
14 to the Department of Revenue, the municipality and the county  
15 collector; first to the Department of Revenue and the  
16 municipality in direct proportion to the tax incremental  
17 revenue received from the State and the municipality, but not  
18 to exceed the total incremental revenue received from the State  
19 or the municipality less any annual surplus distribution of  
20 incremental revenue previously made; with any remaining funds  
21 to be paid to the County Collector who shall immediately  
22 thereafter pay said funds to the taxing districts in the  
23 redevelopment project area in the same manner and proportion as  
24 the most recent distribution by the county collector to the  
25 affected districts of real property taxes from real property in  
26 the redevelopment project area.

1           Upon the payment of all redevelopment project costs, the  
2 retirement of obligations, the distribution of any excess  
3 monies pursuant to this Section, and final closing of the books  
4 and records of the redevelopment project area, the municipality  
5 shall adopt an ordinance dissolving the special tax allocation  
6 fund for the redevelopment project area and terminating the  
7 designation of the redevelopment project area as a  
8 redevelopment project area. Title to real or personal property  
9 and public improvements acquired by or for the municipality as  
10 a result of the redevelopment project and plan shall vest in  
11 the municipality when acquired and shall continue to be held by  
12 the municipality after the redevelopment project area has been  
13 terminated. Municipalities shall notify affected taxing  
14 districts prior to November 1 if the redevelopment project area  
15 is to be terminated by December 31 of that same year. If a  
16 municipality extends estimated dates of completion of a  
17 redevelopment project and retirement of obligations to finance  
18 a redevelopment project, as allowed by this amendatory Act of  
19 1993, that extension shall not extend the property tax  
20 increment allocation financing authorized by this Section.  
21 Thereafter the rates of the taxing districts shall be extended  
22 and taxes levied, collected and distributed in the manner  
23 applicable in the absence of the adoption of tax increment  
24 allocation financing.

25           If a municipality with a population of 1,000,000 or more  
26 has adopted by ordinance tax increment allocation financing for

1 a redevelopment project area located in a transit facility  
2 improvement area established pursuant to Section 11-74.4-3.3,  
3 for each year after the effective date of the ordinance until  
4 redevelopment project costs and all municipal obligations  
5 financing redevelopment project costs have been paid, the ad  
6 valorem taxes, if any, arising from the levies upon the taxable  
7 real property in that redevelopment project area by taxing  
8 districts and tax rates determined in the manner provided in  
9 paragraph (c) of Section 11-74.4-9 shall be divided as follows:

10 (1) That portion of the taxes levied upon each taxable  
11 lot, block, tract or parcel of real property which is  
12 attributable to the lower of (i) the current equalized  
13 assessed value or "current equalized assessed value as  
14 adjusted" or (ii) the initial equalized assessed value of  
15 each such taxable lot, block, tract, or parcel of real  
16 property existing at the time tax increment financing was  
17 adopted, minus the total current homestead exemptions  
18 under Article 15 of the Property Tax Code in the  
19 redevelopment project area shall be allocated to and when  
20 collected shall be paid by the county collector to the  
21 respective affected taxing districts in the manner  
22 required by law in the absence of the adoption of tax  
23 increment allocation financing.

24 (2) That portion, if any, of such taxes which is  
25 attributable to the increase in the current equalized  
26 assessed valuation of each taxable lot, block, tract, or

1 parcel of real property in the redevelopment project area,  
2 over and above the initial equalized assessed value of each  
3 property existing at the time tax increment financing was  
4 adopted, minus the total current homestead exemptions  
5 pertaining to each piece of property provided by Article 15  
6 of the Property Tax Code in the redevelopment project area,  
7 shall be allocated to and when collected shall be paid by  
8 the county collector as follows:

9 (A) First, that portion which would be payable to a  
10 school district whose boundaries are coterminous with  
11 such municipality in the absence of the adoption of tax  
12 increment allocation financing, shall be paid to such  
13 school district in the manner required by law in the  
14 absence of the adoption of tax increment allocation  
15 financing; then

16 (B) 80% of the remaining portion shall be paid to  
17 the municipal Treasurer, who shall deposit said taxes  
18 into a special fund called the special tax allocation  
19 fund of the municipality for the purpose of paying  
20 redevelopment project costs and obligations incurred  
21 in the payment thereof; and then

22 (C) 20% of the remaining portion shall be paid to  
23 the respective affected taxing districts, other than  
24 the school district described in clause (a) above, in  
25 the manner required by law in the absence of the  
26 adoption of tax increment allocation financing.



1           Nothing in this Section shall be construed as relieving  
2 property in such redevelopment project areas from being  
3 assessed as provided in the Property Tax Code or as relieving  
4 owners of such property from paying a uniform rate of taxes, as  
5 required by Section 4 of Article IX of the Illinois  
6 Constitution.

7           (Source: P.A. 98-463, eff. 8-16-13.)

8           (65 ILCS 5/11-74.6-22)

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

11           (a) Before adoption of an ordinance proposing the  
12 designation of a redevelopment planning area or a redevelopment  
13 project area, or both, or approving a redevelopment plan or  
14 redevelopment project, the municipality or commission  
15 designated pursuant to subsection (1) of Section 11-74.6-15  
16 shall fix by ordinance or resolution a time and place for  
17 public hearing. Prior to the adoption of the ordinance or  
18 resolution establishing the time and place for the public  
19 hearing, the municipality shall make available for public  
20 inspection a redevelopment plan or a report that provides in  
21 sufficient detail, the basis for the eligibility of the  
22 redevelopment project area. The report along with the name of a  
23 person to contact for further information shall be sent to the  
24 affected taxing district by certified mail within a reasonable  
25 time following the adoption of the ordinance or resolution

1 establishing the time and place for the public hearing.

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

1 without further hearing, provided that the municipality shall  
2 give notice of any such changes by mail to each affected taxing  
3 district and by publication once in a newspaper of general  
4 circulation within the affected taxing district. Such notice by  
5 mail and by publication shall each occur not later than 10 days  
6 following the adoption by ordinance of such changes.

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

21 All board members shall be appointed and the first board  
22 meeting held within 14 days following the notice by the  
23 municipality to all the taxing districts as required by  
24 subsection (c) of Section 11-74.6-25. The notice shall also  
25 advise the taxing bodies represented on the joint review board  
26 of the time and place of the first meeting of the board.

1 Additional meetings of the board shall be held upon the call of  
2 any 2 members. The municipality seeking designation of the  
3 redevelopment project area may provide administrative support  
4 to the board.

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

24 (c) After a municipality has by ordinance approved a  
25 redevelopment plan and designated a redevelopment planning  
26 area or a redevelopment project area, or both, the plan may be

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

1 each affected taxing district and by publication once 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 Notwithstanding Section 11-74.6-50, the redevelopment  
7 project area established by an ordinance adopted in its final  
8 form on December 19, 2011 by the City of Loves Park may be  
9 expanded by the adoption of an ordinance to that effect without  
10 further hearing or notice to include land that (i) is at least  
11 in part contiguous to the existing redevelopment project area,  
12 (ii) does not exceed approximately 16.56 acres, (iii) at the  
13 time of the establishment of the redevelopment project area  
14 would have been otherwise eligible for inclusion in the  
15 redevelopment project area, and (iv) is zoned so as to comply  
16 with this Act prior to its inclusion in the redevelopment  
17 project area.

18 (d) After the effective date of this amendatory Act of the  
19 91st General Assembly, a municipality shall submit the  
20 following information for each redevelopment project area (i)  
21 to the State Comptroller under Section 8-8-3.5 of the Illinois  
22 Municipal Code, subject to any extensions or exemptions  
23 provided at the Comptroller's discretion under that Section,  
24 and (ii) to all taxing districts overlapping the redevelopment  
25 project area no later than 180 days after the close of each  
26 municipal fiscal year or as soon thereafter as the audited

1 financial statements become available and, in any case, shall  
2 be submitted before the annual meeting of the joint review  
3 board to each of the taxing districts that overlap the  
4 redevelopment project area:

5 (1) Any amendments to the redevelopment plan, or the  
6 redevelopment project area.

7 (1.5) A list of the redevelopment project areas  
8 administered by the municipality and, if applicable, the  
9 date each redevelopment project area was designated or  
10 terminated by the municipality.

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

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

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

20 (5) An analysis of the special tax allocation fund  
21 which sets forth:

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

24 (B) all amounts deposited in the special tax  
25 allocation fund by source;

26 (C) an itemized list of all expenditures from the

1 special tax allocation fund by category of permissible  
2 redevelopment project cost; and

3 (D) the balance in the special tax allocation fund  
4 at the end of the fiscal year including a breakdown of  
5 that balance by source and a breakdown of that balance  
6 identifying any portion of the balance that is  
7 required, pledged, earmarked, or otherwise designated  
8 for payment of or securing of obligations and  
9 anticipated redevelopment project costs. Any portion  
10 of such ending balance that has not been identified or  
11 is not identified as being required, pledged,  
12 earmarked, or otherwise designated for payment of or  
13 securing of obligations or anticipated redevelopment  
14 project costs shall be designated as surplus as set  
15 forth in Section 11-74.6-30 hereof.

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

19 (A) Street address.

20 (B) Approximate size or description of property.

21 (C) Purchase price.

22 (D) Seller of property.

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

26 (A) Any project implemented in the preceding



1 fiscal year.

2 (B) A description of the redevelopment activities  
3 undertaken.

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

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

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

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

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

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

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

8                   (A) copies of any official statements; and

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

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

1 requirements of subsection (o) of Section 11-74.6-10.

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

7 (Source: P.A. 97-146, eff. 1-1-12; 98-922, eff. 8-15-14.)

8 Section 10. The Eminent Domain Act is amended by changing  
9 Section 10-5-65 as follows:

10 (735 ILCS 30/10-5-65) (was 735 ILCS 5/7-122)

11 Sec. 10-5-65. Reimbursement; inverse condemnation.

12 (a) Except as provided in subsection (b), when ~~When~~ the  
13 condemning authority is required by a court to initiate  
14 condemnation proceedings for the actual physical taking of real  
15 property, the court rendering judgment for the property owner  
16 and awarding just compensation for the taking shall determine  
17 and award or allow to the property owner, as part of that  
18 judgment or award, further sums as will, in the opinion of the  
19 court, reimburse the property owner for the owner's reasonable  
20 costs, disbursements, and expenses, including reasonable  
21 attorney, appraisal, and engineering fees actually incurred by  
22 the property owner in those proceedings.

23 (b) When the condemning authority is required to initiate  
24 condemnation proceedings of property impacted directly or

1 indirectly by the Chicago Transit Authority Red-Purple  
2 Modernization Project, the court rendering judgment for the  
3 property owner and awarding just compensation for the taking  
4 shall determine and award or allow to the property owner, as  
5 part of that judgment or award, further sums as will, in the  
6 opinion of the court, reimburse the property owner for the  
7 owner's reasonable costs, disbursements, diminution, and  
8 expenses, including reasonable attorney, appraisal, and  
9 engineering fees actually incurred by the property owner in  
10 those proceedings.

11 (Source: P.A. 94-1055, eff. 1-1-07.)

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