



Rep. Barbara Flynn Currie

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LRB099 17003 AWJ 49204 a

1 AMENDMENT TO SENATE BILL 2562

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2562, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

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

9 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

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

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

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

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

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

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

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

26 (C) Deterioration. With respect to buildings,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (4) Presence of structures below minimum code

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

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

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

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

26 (8) Inadequate utilities. Underground and overhead

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

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

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

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

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

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

1 area.

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

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

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

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

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

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

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



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

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

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

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

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

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

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

26 Municipalities that issued bonds in connection with a

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

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

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

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

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

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

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

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

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

10 (n) "Redevelopment plan" means the comprehensive program  
11 of the municipality for development or redevelopment intended  
12 by the payment of redevelopment project costs to reduce or  
13 eliminate those conditions the existence of which qualified the  
14 redevelopment project area as a "blighted area" or  
15 "conservation area" or combination thereof or "industrial park  
16 conservation area," and thereby to enhance the tax bases of the  
17 taxing districts which extend into the redevelopment project  
18 area, provided that, with respect to redevelopment project  
19 areas described in subsections (p-1) and (p-2), "redevelopment  
20 plan" means the comprehensive program of the affected  
21 municipality for the development of qualifying transit  
22 facilities. On and after November 1, 1999 (the effective date  
23 of Public Act 91-478), no redevelopment plan may be approved or  
24 amended that includes the development of vacant land (i) with a  
25 golf course and related clubhouse and other facilities or (ii)  
26 designated by federal, State, county, or municipal government



1 as public land for outdoor recreational activities or for  
2 nature preserves and used for that purpose within 5 years prior  
3 to the adoption of the redevelopment plan. For the purpose of  
4 this subsection, "recreational activities" is limited to mean  
5 camping and hunting. Each redevelopment plan shall set forth in  
6 writing the program to be undertaken to accomplish the  
7 objectives and shall include but not be limited to:

8 (A) an itemized list of estimated redevelopment  
9 project costs;

10 (B) evidence indicating that the redevelopment project  
11 area on the whole has not been subject to growth and  
12 development through investment by private enterprise,  
13 provided that such evidence shall not be required for any  
14 redemption project area located within a transit  
15 facility improvement area established pursuant to Section  
16 11-74.4-3.3;

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

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

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

25 (F) the most recent equalized assessed valuation of the  
26 redevelopment project area;

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

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

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

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

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

24 (1) The municipality finds that the redevelopment  
25 project area on the whole has not been subject to growth  
26 and development through investment by private enterprise

1 and would not reasonably be anticipated to be developed  
2 without the adoption of the redevelopment plan, provided,  
3 however, that such a finding shall not be required with  
4 respect to any redevelopment project area located within a  
5 transit facility improvement area established pursuant to  
6 Section 11-74.4-3.3.

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

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

23 A municipality may by municipal ordinance amend an  
24 existing redevelopment plan to conform to this paragraph  
25 (3) as amended by Public Act 91-478, which municipal  
26 ordinance may be adopted without further hearing or notice

1 and without complying with the procedures provided in this  
2 Act pertaining to an amendment to or the initial approval  
3 of a redevelopment plan and project and designation of a  
4 redevelopment project area.

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

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

21 (5) If: (a) the redevelopment plan will not result in  
22 displacement of residents from 10 or more inhabited  
23 residential units, and the municipality certifies in the  
24 plan that such displacement will not result from the plan;  
25 or (b) the redevelopment plan is for a redevelopment  
26 project area located within a transit facility improvement

1        area established pursuant to Section 11-74.4-3.3, and the  
2        applicable project is subject to the process for evaluation  
3        of environmental effects under the National Environmental  
4        Policy Act of 1969, 42 U.S.C. § 4321 et seq., then, a  
5        housing impact study need not be performed. If, however,  
6        the redevelopment plan would result in the displacement of  
7        residents from 10 or more inhabited residential units, or  
8        if the redevelopment project area contains 75 or more  
9        inhabited residential units and no certification is made,  
10       then the municipality shall prepare, as part of the  
11       separate feasibility report required by subsection (a) of  
12       Section 11-74.4-5, a housing impact study.

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

26       Part II of the housing impact study shall identify the

1       inhabited residential units in the proposed redevelopment  
2       project area that are to be or may be removed. If inhabited  
3       residential units are to be removed, then the housing  
4       impact study shall identify (i) the number and location of  
5       those units that will or may be removed, (ii) the  
6       municipality's plans for relocation assistance for those  
7       residents in the proposed redevelopment project area whose  
8       residences are to be removed, (iii) the availability of  
9       replacement housing for those residents whose residences  
10      are to be removed, and shall identify the type, location,  
11      and cost of the housing, and (iv) the type and extent of  
12      relocation assistance to be provided.

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

16           (7) On and after November 1, 1999, no redevelopment  
17      plan shall be adopted, nor an existing plan amended, nor  
18      shall residential housing that is occupied by households of  
19      low-income and very low-income persons in currently  
20      existing redevelopment project areas be removed after  
21      November 1, 1999 unless the redevelopment plan provides,  
22      with respect to inhabited housing units that are to be  
23      removed for households of low-income and very low-income  
24      persons, affordable housing and relocation assistance not  
25      less than that which would be provided under the federal  
26      Uniform Relocation Assistance and Real Property

1 Acquisition Policies Act of 1970 and the regulations under  
2 that Act, including the eligibility criteria. Affordable  
3 housing may be either existing or newly constructed  
4 housing. For purposes of this paragraph (7), "low-income  
5 households", "very low-income households", and "affordable  
6 housing" have the meanings set forth in the Illinois  
7 Affordable Housing Act. The municipality shall make a good  
8 faith effort to ensure that this affordable housing is  
9 located in or near the redevelopment project area within  
10 the municipality.

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

18 (9) For redevelopment project areas designated prior  
19 to November 1, 1999, the redevelopment plan may be amended  
20 without further joint review board meeting or hearing,  
21 provided that the municipality shall give notice of any  
22 such changes by mail to each affected taxing district and  
23 registrant on the interested party registry, to authorize  
24 the municipality to expend tax increment revenues for  
25 redevelopment project costs defined by paragraphs (5) and  
26 (7.5), subparagraphs (E) and (F) of paragraph (11), and

1 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so  
2 long as the changes do not increase the total estimated  
3 redevelopment project costs set out in the redevelopment  
4 plan by more than 5% after adjustment for inflation from  
5 the date the plan was adopted.

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

18 (p) "Redevelopment project area" means an area designated  
19 by the municipality, which is not less in the aggregate than 1  
20 1/2 acres and in respect to which the municipality has made a  
21 finding that there exist conditions which cause the area to be  
22 classified as an industrial park conservation area or a  
23 blighted area or a conservation area, or a combination of both  
24 blighted areas and conservation areas.

25 (p-1) Notwithstanding any provision of this Act to the  
26 contrary, on and after August 25, 2009 (the effective date of



1 Public Act 96-680), a redevelopment project area may include  
2 areas within a one-half mile radius of an existing or proposed  
3 Regional Transportation Authority Suburban Transit Access  
4 Route (STAR Line) station without a finding that the area is  
5 classified as an industrial park conservation area, a blighted  
6 area, a conservation area, or a combination thereof, but only  
7 if the municipality receives unanimous consent from the joint  
8 review board created to review the proposed redevelopment  
9 project area.

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

18 (q) "Redevelopment project costs", except for  
19 redevelopment project areas created pursuant to subsections  
20 ~~subsection~~ (p-1) or (p-2), means and includes the sum total of  
21 all reasonable or necessary costs incurred or estimated to be  
22 incurred, and any such costs incidental to a redevelopment plan  
23 and a redevelopment project. Such costs include, without  
24 limitation, the following:

25 (1) Costs of studies, surveys, development of plans,  
26 and specifications, implementation and administration of

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

1           (1.5) After July 1, 1999, annual administrative costs  
2 shall not include general overhead or administrative costs  
3 of the municipality that would still have been incurred by  
4 the municipality if the municipality had not designated a  
5 redevelopment project area or approved a redevelopment  
6 plan;

7           (1.6) The cost of marketing sites within the  
8 redevelopment project area to prospective businesses,  
9 developers, and investors;

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

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

1 elements or construction elements with an equivalent  
2 certification;

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

1       in a transit facility improvement area that has been  
2       established pursuant to Section 11-74.4-3.3;

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

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

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

21          (7.5) For redevelopment project areas designated (or  
22      redevelopment project areas amended to add or increase the  
23      number of tax-increment-financing assisted housing units)  
24      on or after November 1, 1999, an elementary, secondary, or  
25      unit school district's increased costs attributable to  
26      assisted housing units located within the redevelopment

1 project area for which the developer or redeveloper  
2 receives financial assistance through an agreement with  
3 the municipality or because the municipality incurs the  
4 cost of necessary infrastructure improvements within the  
5 boundaries of the assisted housing sites necessary for the  
6 completion of that housing as authorized by this Act, and  
7 which costs shall be paid by the municipality from the  
8 Special Tax Allocation Fund when the tax increment revenue  
9 is received as a result of the assisted housing units and  
10 shall be calculated annually as follows:

11 (A) for foundation districts, excluding any school  
12 district in a municipality with a population in excess  
13 of 1,000,000, by multiplying the district's increase  
14 in attendance resulting from the net increase in new  
15 students enrolled in that school district who reside in  
16 housing units within the redevelopment project area  
17 that have received financial assistance through an  
18 agreement with the municipality or because the  
19 municipality incurs the cost of necessary  
20 infrastructure improvements within the boundaries of  
21 the housing sites necessary for the completion of that  
22 housing as authorized by this Act since the designation  
23 of the redevelopment project area by the most recently  
24 available per capita tuition cost as defined in Section  
25 10-20.12a of the School Code less any increase in  
26 general State aid as defined in Section 18-8.05 of the

1 School Code attributable to these added new students  
2 subject to the following annual limitations:

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

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

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

21 (B) For alternate method districts, flat grant  
22 districts, and foundation districts with a district  
23 average 1995-96 Per Capita Tuition Charge equal to or  
24 more than \$5,900, excluding any school district with a  
25 population in excess of 1,000,000, by multiplying the  
26 district's increase in attendance resulting from the

1 net increase in new students enrolled in that school  
2 district who reside in housing units within the  
3 redevelopment project area that have received  
4 financial assistance through an agreement with the  
5 municipality or because the municipality incurs the  
6 cost of necessary infrastructure improvements within  
7 the boundaries of the housing sites necessary for the  
8 completion of that housing as authorized by this Act  
9 since the designation of the redevelopment project  
10 area by the most recently available per capita tuition  
11 cost as defined in Section 10-20.12a of the School Code  
12 less any increase in general state aid as defined in  
13 Section 18-8.05 of the School Code attributable to  
14 these added new students subject to the following  
15 annual limitations:

16 (i) for unit school districts, no more than 40%  
17 of the total amount of property tax increment  
18 revenue produced by those housing units that have  
19 received tax increment finance assistance under  
20 this Act;

21 (ii) for elementary school districts, no more  
22 than 27% of the total amount of property tax  
23 increment revenue produced by those housing units  
24 that have received tax increment finance  
25 assistance under this Act; and

26 (iii) for secondary school districts, no more



1           than 13% of the total amount of property tax  
2           increment revenue produced by those housing units  
3           that have received tax increment finance  
4           assistance under this Act.

5           (C) For any school district in a municipality with  
6           a population in excess of 1,000,000, the following  
7           restrictions shall apply to the reimbursement of  
8           increased costs under this paragraph (7.5):

9                   (i) no increased costs shall be reimbursed  
10                   unless the school district certifies that each of  
11                   the schools affected by the assisted housing  
12                   project is at or over its student capacity;

13                   (ii) the amount reimbursable shall be reduced  
14                   by the value of any land donated to the school  
15                   district by the municipality or developer, and by  
16                   the value of any physical improvements made to the  
17                   schools by the municipality or developer; and

18                   (iii) the amount reimbursed may not affect  
19                   amounts otherwise obligated by the terms of any  
20                   bonds, notes, or other funding instruments, or the  
21                   terms of any redevelopment agreement.

22           Any school district seeking payment under this  
23           paragraph (7.5) shall, after July 1 and before  
24           September 30 of each year, provide the municipality  
25           with reasonable evidence to support its claim for  
26           reimbursement before the municipality shall be

1           required to approve or make the payment to the school  
2           district. If the school district fails to provide the  
3           information during this period in any year, it shall  
4           forfeit any claim to reimbursement for that year.  
5           School districts may adopt a resolution waiving the  
6           right to all or a portion of the reimbursement  
7           otherwise required by this paragraph (7.5). By  
8           acceptance of this reimbursement the school district  
9           waives the right to directly or indirectly set aside,  
10          modify, or contest in any manner the establishment of  
11          the redevelopment project area or projects;

12          (7.7) For redevelopment project areas designated (or  
13          redevelopment project areas amended to add or increase the  
14          number of tax-increment-financing assisted housing units)  
15          on or after January 1, 2005 (the effective date of Public  
16          Act 93-961), a public library district's increased costs  
17          attributable to assisted housing units located within the  
18          redevelopment project area for which the developer or  
19          redeveloper receives financial assistance through an  
20          agreement with the municipality or because the  
21          municipality incurs the cost of necessary infrastructure  
22          improvements within the boundaries of the assisted housing  
23          sites necessary for the completion of that housing as  
24          authorized by this Act shall be paid to the library  
25          district by the municipality from the Special Tax  
26          Allocation Fund when the tax increment revenue is received

1 as a result of the assisted housing units. This paragraph  
2 (7.7) applies only if (i) the library district is located  
3 in a county that is subject to the Property Tax Extension  
4 Limitation Law or (ii) the library district is not located  
5 in a county that is subject to the Property Tax Extension  
6 Limitation Law but the district is prohibited by any other  
7 law from increasing its tax levy rate without a prior voter  
8 referendum.

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

1 revenue. The amount paid to a library district under this  
2 paragraph (7.7) shall be no more than 2% of the amount  
3 produced by the assisted housing units and deposited into  
4 the Special Tax Allocation Fund.

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

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

26 (8) Relocation costs to the extent that a municipality

1 determines that relocation costs shall be paid or is  
2 required to make payment of relocation costs by federal or  
3 State law or in order to satisfy subparagraph (7) of  
4 subsection (n);

5 (9) Payment in lieu of taxes;

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

1 3-40 and 3-40.1 of the Public Community College Act and by  
2 school districts of costs pursuant to Sections 10-22.20a  
3 and 10-23.3a of The School Code;

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

7 (A) such costs are to be paid directly from the  
8 special tax allocation fund established pursuant to  
9 this Act;

10 (B) such payments in any one year may not exceed  
11 30% of the annual interest costs incurred by the  
12 redeveloper with regard to the redevelopment project  
13 during that year;

14 (C) if there are not sufficient funds available in  
15 the special tax allocation fund to make the payment  
16 pursuant to this paragraph (11) then the amounts so due  
17 shall accrue and be payable when sufficient funds are  
18 available in the special tax allocation fund;

19 (D) the total of such interest payments paid  
20 pursuant to this Act may not exceed 30% of the total  
21 (i) cost paid or incurred by the redeveloper for the  
22 redevelopment project plus (ii) redevelopment project  
23 costs excluding any property assembly costs and any  
24 relocation costs incurred by a municipality pursuant  
25 to this Act; and

26 (E) the cost limits set forth in subparagraphs (B)

1 and (D) of paragraph (11) shall be modified for the  
2 financing of rehabilitated or new housing units for  
3 low-income households and very low-income households,  
4 as defined in Section 3 of the Illinois Affordable  
5 Housing Act. The percentage of 75% shall be substituted  
6 for 30% in subparagraphs (B) and (D) of paragraph (11).

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

23 The eligible costs provided under this  
24 subparagraph (F) of paragraph (11) shall be an eligible  
25 cost for the construction, renovation, and  
26 rehabilitation of all low and very low-income housing

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



1           they shall be rented to income-eligible tenants. The  
2           municipality may modify these guidelines from time to  
3           time; the guidelines, however, shall be in effect for  
4           as long as tax increment revenue is being used to pay  
5           for costs associated with the units or for the  
6           retirement of bonds issued to finance the units or for  
7           the life of the redevelopment project area, whichever  
8           is later.

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

25          (12) Unless explicitly stated herein the cost of  
26          construction of new privately-owned buildings shall not be

1 an eligible redevelopment project cost.

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

22 (14) No cost shall be a redevelopment project cost in a  
23 redevelopment project area if used to demolish, remove, or  
24 substantially modify a historic resource, after August 26,  
25 2008 (the effective date of Public Act 95-934), unless no  
26 prudent and feasible alternative exists. "Historic

1 resource" for the purpose of this item (14) means (i) a  
2 place or structure that is included or eligible for  
3 inclusion on the National Register of Historic Places or  
4 (ii) a contributing structure in a district on the National  
5 Register of Historic Places. This item (14) does not apply  
6 to a place or structure for which demolition, removal, or  
7 modification is subject to review by the preservation  
8 agency of a Certified Local Government designated as such  
9 by the National Park Service of the United States  
10 Department of the Interior.

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

18 (q-1) For redevelopment project areas created pursuant to  
19 subsection (p-1), redevelopment project costs are limited to  
20 those costs in paragraph (q) that are related to the existing  
21 or proposed Regional Transportation Authority Suburban Transit  
22 Access Route (STAR Line) station.

23 (q-2) For a redevelopment project area located within a  
24 transit facility improvement area established pursuant to  
25 Section 11-74.4-3.3, redevelopment project costs means those  
26 costs described in subsection (q) that are related to the

1 construction, reconstruction, rehabilitation, remodeling, or  
2 repair of any existing or proposed transit facility.

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

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

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

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

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

26 (u) "Taxing districts' capital costs" means those costs of

1 taxing districts for capital improvements that are found by the  
2 municipal corporate authorities to be necessary and directly  
3 result from the redevelopment project.

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

1 relevant portion thereof has been properly approved and filed  
2 in accordance with the applicable ordinance of the  
3 municipality.

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

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

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

19 (Source: P.A. 96-328, eff. 8-11-09; 96-630, eff. 1-1-10;  
20 96-680, eff. 8-25-09; 96-1000, eff. 7-2-10; 97-101, eff.  
21 1-1-12.)

22 (65 ILCS 5/11-74.4-3.3 new)

23 Sec. 11-74.4-3.3. Redevelopment project area within a  
24 transit facility improvement area.

25 (a) As used in this Section:



1       "Redevelopment project area" means the area identified in:  
2 the Chicago Union Station Master Plan; the Chicago Transit  
3 Authority's Red and Purple Modernization Program; the Chicago  
4 Transit Authority's Red Line Extension Program; and the Chicago  
5 Transit Authority's Blue Line Modernization and Extension  
6 Program, each as may be amended from time to time after the  
7 effective date of this amendatory Act of the 99th General  
8 Assembly.

9       "Transit" means any one or more of the following  
10 transportation services provided to passengers: inter-city  
11 passenger rail service; commuter rail service; and urban mass  
12 transit rail service, whether elevated, underground, or  
13 running at grade, and whether provided through rolling stock  
14 generally referred to as heavy rail or light rail.

15       "Transit facility" means an existing or proposed transit  
16 passenger station, an existing or proposed transit  
17 maintenance, storage or service facility, or an existing or  
18 proposed right of way for use in providing transit services.

19       "Transit facility improvement area" means an area whose  
20 boundaries are no more than one-half mile in any direction from  
21 the location of a transit passenger station, or the existing or  
22 proposed right of way of transit facility, as applicable;  
23 provided that the length of any existing or proposed right of  
24 way or a transit passenger station included in any transit  
25 facility improvement area shall not exceed: 9 miles for the  
26 Chicago Transit Authority's Blue Line Modernization and

1 Extension Program; 17 miles for the Chicago Transit Authority's  
2 Red and Purple Modernization Program (running from Madison  
3 Street North to Linden Avenue); and 20 miles for the Chicago  
4 Transit Authority's Red Line Extension Program (running from  
5 Madison Street South to 130th Street).

6 (b) Notwithstanding any other provision of law to the  
7 contrary, if the corporate authorities of a municipality  
8 designate an area within the territorial limits of the  
9 municipality as a transit facility improvement area, then that  
10 municipality may establish one or more redevelopment project  
11 areas within that transit facility improvement area for the  
12 purpose of developing new transit facilities, expanding or  
13 rehabilitating existing transit facilities, or both. With  
14 respect to a transit facility whose right of way is located in  
15 more than one municipality, each municipality may designate an  
16 area within its territorial limits as a transit facility  
17 improvement area and may establish a redevelopment project area  
18 for each of the qualifying projects identified in subsection  
19 (a) of this Section.

20 (65 ILCS 5/11-74.4-3.5)

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

23 (a) Unless otherwise stated in this Section, the estimated  
24 dates of completion of the redevelopment project and retirement  
25 of obligations issued to finance redevelopment project costs

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

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

21 (a-7) A municipality may adopt tax increment financing for  
22 a redevelopment project area located in a transit facility  
23 improvement area that also includes real property located  
24 within an existing redevelopment project area established  
25 prior to the effective date of this amendatory Act of 99th  
26 General Assembly. In such case: (i) the provisions of this

1 Division shall apply with respect to the previously established  
2 redevelopment project area until the municipality adopts, as  
3 required in accordance with applicable provisions of this  
4 Division, an ordinance dissolving the special tax allocation  
5 fund for such redevelopment project area and terminating the  
6 designation of such redevelopment project area as a  
7 redevelopment project area; and (ii) after the effective date  
8 of the ordinance described in (i), the provisions of this  
9 Division shall apply with respect to the subsequently  
10 established redevelopment project area located in a transit  
11 facility improvement area.

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

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

1 provided in subsection (b) of Section 11-74.4-8 of this Act is  
2 to be made with respect to ad valorem taxes levied in the 33rd  
3 calendar year after the year in which the ordinance approving  
4 the redevelopment project area was adopted if the ordinance was  
5 adopted on May 20, 1985 by the Village of Wheeling.

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

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

- 25 (1) If the ordinance was adopted before January 15,  
26 1981.

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

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

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

8           (5) If the municipality is subject to the Local  
9           Government Financial Planning and Supervision Act or the  
10          Financially Distressed City Law.

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

13          (7) If the ordinance was adopted on December 31, 1986  
14          by a municipality located in Clinton County for which at  
15          least \$250,000 of tax increment bonds were authorized on  
16          June 17, 1997, or if the ordinance was adopted on December  
17          31, 1986 by a municipality with a population in 1990 of  
18          less than 3,600 that is located in a county with a  
19          population in 1990 of less than 34,000 and for which at  
20          least \$250,000 of tax increment bonds were authorized on  
21          June 17, 1997.

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

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

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

3           (11) If the ordinance was adopted before December 18,  
4 1986 by the City of Moline.

5           (12) If the ordinance was adopted in September 1988 by  
6 Sauk Village.

7           (13) If the ordinance was adopted in October 1993 by  
8 Sauk Village.

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

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

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

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

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

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

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

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

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

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

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

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

8           (26) If the ordinance was adopted on November 11, 1996  
9           by the City of Lexington.

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

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

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

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

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

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

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

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

26          (35) If the ordinance was adopted on December 23, 1986



1 by the Town of Cicero.

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

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

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

8 (39) If the ordinance was adopted on January 19, 1988  
9 by the City of Waukegan.

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

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

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

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

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

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

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

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

26 (48) If the ordinance was adopted on April 20, 1993 by

1 the Village of Princeville.

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

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

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

8 (52) If the ordinance was adopted on July 14, 1999 by  
9 the Village of Paw Paw.

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

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

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

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

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

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

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

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

26 (61) If the ordinance was adopted on January 13, 1987

1 by the Village of Mt. Zion.

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

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

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

8 (65) If the ordinance was adopted on December 19, 2000  
9 by the Village of Stone Park.

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

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

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

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

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

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

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

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

26 (74) If the ordinance was adopted on June 11, 2002 by

1 the City of East Peoria to create the West Washington  
2 Street TIF.

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

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

7 (77) If the ordinance was adopted on December 22, 1986  
8 by the City of Washington to create the Washington Square  
9 TIF #2.

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

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

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

16 (81) If the ordinance was adopted on December 29, 1986  
17 by the City of Pontiac to create TIF II (the Interstate  
18 TIF).

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

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

25 (84) If the ordinance was adopted on June 10, 1998 by  
26 the City of Chicago to create the Stony Island

1 Commercial/Burnside Industrial Corridors TIF District.

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

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

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

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

11 (89) If the ordinance was adopted on December 30, 1986  
12 by the Village of Bellevue to create the Bellevue TIF  
13 District 1.

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

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

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

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

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

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

26 (96) If the ordinance was adopted on October 14, 1993

1 and amended on August 2, 2010 by the City of Venice.

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

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

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

8 (100) If the ordinance was adopted on December 20, 1988  
9 by the Village of Lansing.

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

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

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

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

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

21 (106) If the ordinance was adopted on September 13,  
22 1989 by the City of Chicago to create the Michigan/Cermak  
23 Area TIF District.

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

26 (108) If the ordinance was adopted on July 6, 1998 by

1 the Village of Orangeville.

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

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

6 (111) If the ordinance was adopted on December 18, 1990  
7 by the Village of Washington Park, but only after the  
8 Village of Washington Park becomes compliant with the  
9 reporting requirements under subsection (d) of Section  
10 11-74.4-5, and after the State Comptroller's certification  
11 of such compliance.

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

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

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

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

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

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

26 (118) If the ordinance was adopted on December 29, 1993

1 by the City of Ottawa.

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

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

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

8 (122) If the ordinance was adopted on February 10, 1992  
9 by the City of Mt. Sterling.

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

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

14 (125) If the ordinance was adopted on September 23,  
15 1997 by the City of Granite City.

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

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

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

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

25 (130) If the ordinance was adopted on September 20,  
26 1994 by the City of Ottawa to create the U.S. Route 6 East



1 Ottawa TIF.

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

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

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

8 (134) If the ordinance was adopted on May 4, 1998 by  
9 the Village of Bradford.

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (g) In consolidating the material relating to completion  
24 dates from Sections 11-74.4-3 and 11-74.4-7 into this Section,  
25 it is not the intent of the General Assembly to make any  
26 substantive change in the law, except for the extension of the

1 completion dates for the City of Aurora, the Village of Milan,  
2 the City of West Frankfort, the Village of Libertyville, and  
3 the Village of Hoffman Estates set forth under items (67),  
4 (68), (69), (70), and (71) of subsection (c) of this Section.

5 (Source: P.A. 98-109, eff. 7-25-13; 98-135, eff. 8-2-13;  
6 98-230, eff. 8-9-13; 98-463, eff. 8-16-13; 98-614, eff.  
7 12-27-13; 98-667, eff. 6-25-14; 98-889, eff. 8-15-14; 98-893,  
8 eff. 8-15-14; 98-1064, eff. 8-26-14; 98-1136, eff. 12-29-14;  
9 98-1153, eff. 1-9-15; 98-1157, eff. 1-9-15; 98-1159, eff.  
10 1-9-15; 99-78, eff. 7-20-15; 99-136, eff. 7-24-15; 99-263, eff.  
11 8-4-15; 99-361, eff. 1-1-16; 99-394, eff. 8-18-15; 99-495, eff.  
12 12-17-15.)

13 (65 ILCS 5/11-74.4-4) (from Ch. 24, par. 11-74.4-4)

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

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

8 A municipality may:

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

1 (a) of Section 11-74.4-9, and a list of the parcel or tax  
2 identification number of each parcel of property included in  
3 the redevelopment project area.

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

22 (c) Within a redevelopment project area, acquire by  
23 purchase, donation, lease or eminent domain; own, convey,  
24 lease, mortgage or dispose of land and other property, real or  
25 personal, or rights or interests therein, and grant or acquire  
26 licenses, easements and options with respect thereto, all in

1 the manner and at such price the municipality determines is  
2 reasonably necessary to achieve the objectives of the  
3 redevelopment plan and project. No conveyance, lease,  
4 mortgage, disposition of land or other property owned by a  
5 municipality, or agreement relating to the development of such  
6 municipal property shall be made except upon the adoption of an  
7 ordinance by the corporate authorities of the municipality.  
8 Furthermore, no conveyance, lease, mortgage, or other  
9 disposition of land owned by a municipality or agreement  
10 relating to the development of such municipal property shall be  
11 made without making public disclosure of the terms of the  
12 disposition and all bids and proposals made in response to the  
13 municipality's request. The procedures for obtaining such bids  
14 and proposals shall provide reasonable opportunity for any  
15 person to submit alternative proposals or bids.

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

18 (e) Within a redevelopment project area, renovate or  
19 rehabilitate or construct any structure or building, as  
20 permitted under this Act.

21 (f) Install, repair, construct, reconstruct or relocate  
22 streets, utilities and site improvements essential to the  
23 preparation of the redevelopment area for use in accordance  
24 with a redevelopment plan.

25 (g) Within a redevelopment project area, fix, charge and  
26 collect fees, rents and charges for the use of any building or

1 property owned or leased by it or any part thereof, or facility  
2 therein.

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

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

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

22 (k) Create a commission of not less than 5 or more than 15  
23 persons to be appointed by the mayor or president of the  
24 municipality with the consent of the majority of the governing  
25 board of the municipality. Members of a commission appointed  
26 after the effective date of this amendatory Act of 1987 shall



1 be appointed for initial terms of 1, 2, 3, 4 and 5 years,  
2 respectively, in such numbers as to provide that the terms of  
3 not more than 1/3 of all such members shall expire in any one  
4 year. Their successors shall be appointed for a term of 5  
5 years. The commission, subject to approval of the corporate  
6 authorities may exercise the powers enumerated in this Section.  
7 The commission shall also have the power to hold the public  
8 hearings required by this division and make recommendations to  
9 the corporate authorities concerning the adoption of  
10 redevelopment plans, redevelopment projects and designation of  
11 redevelopment project areas.

12 (l) Make payment in lieu of taxes or a portion thereof to  
13 taxing districts. If payments in lieu of taxes or a portion  
14 thereof are made to taxing districts, those payments shall be  
15 made to all districts within a project redevelopment area on a  
16 basis which is proportional to the current collections of  
17 revenue which each taxing district receives from real property  
18 in the redevelopment project area.

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

21 (n) If any member of the corporate authority, a member of a  
22 commission established pursuant to Section 11-74.4-4(k) of  
23 this Act, or an employee or consultant of the municipality  
24 involved in the planning and preparation of a redevelopment  
25 plan, or project for a redevelopment project area or proposed  
26 redevelopment project area, as defined in Sections

1 11-74.4-3(i) through (k) of this Act, owns or controls an  
2 interest, direct or indirect, in any property included in any  
3 redevelopment area, or proposed redevelopment area, he or she  
4 shall disclose the same in writing to the clerk of the  
5 municipality, and shall also so disclose the dates and terms  
6 and conditions of any disposition of any such interest, which  
7 disclosures shall be acknowledged by the corporate authorities  
8 and entered upon the minute books of the corporate authorities.  
9 If an individual holds such an interest then that individual  
10 shall refrain from any further official involvement in regard  
11 to such redevelopment plan, project or area, from voting on any  
12 matter pertaining to such redevelopment plan, project or area,  
13 or communicating with other members concerning corporate  
14 authorities, commission or employees concerning any matter  
15 pertaining to said redevelopment plan, project or area.  
16 Furthermore, no such member or employee shall acquire of any  
17 interest direct, or indirect, in any property in a  
18 redevelopment area or proposed redevelopment area after either  
19 (a) such individual obtains knowledge of such plan, project or  
20 area or (b) first public notice of such plan, project or area  
21 pursuant to Section 11-74.4-6 of this Division, whichever  
22 occurs first. For the purposes of this subsection, a property  
23 interest acquired in a single parcel of property by a member of  
24 the corporate authority, which property is used exclusively as  
25 the member's primary residence, shall not be deemed to  
26 constitute an interest in any property included in a

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

1 subsection.

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

19 (p) Municipalities may jointly undertake and perform  
20 redevelopment plans and projects and utilize the provisions of  
21 the Act wherever they have contiguous redevelopment project  
22 areas or they determine to adopt tax increment financing with  
23 respect to a redevelopment project area which includes  
24 contiguous real property within the boundaries of the  
25 municipalities, and in doing so, they may, by agreement between  
26 municipalities, issue obligations, separately or jointly, and

1 expend revenues received under the Act for eligible expenses  
2 anywhere within contiguous redevelopment project areas or as  
3 otherwise permitted in the Act. With respect to redevelopment  
4 project areas that are established within a transit facility  
5 improvement area, the provisions of this subsection apply only  
6 with respect to such redevelopment project areas that are  
7 contiguous to each other.

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

12 (i) contiguous to the redevelopment project area from  
13 which the revenues are received;

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

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

22 Utilize tax increment revenues for eligible costs that are  
23 received from a redevelopment project area created under the  
24 Industrial Jobs Recovery Law that is either contiguous to, or  
25 is separated only by a public right of way from, the  
26 redevelopment project area created under this Act which

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

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

1 date of this amendatory Act of 1994 and no redevelopment  
2 project has been initiated within 4 years after the effective  
3 date of this amendatory Act of 1994, the municipality shall  
4 adopt an ordinance repealing its designation as a redevelopment  
5 project area. Initiation of a redevelopment project shall be  
6 evidenced by either a signed redevelopment agreement or  
7 expenditures on eligible redevelopment project costs  
8 associated with a redevelopment project.

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

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

1 (65 ILCS 5/11-74.4-6) (from Ch. 24, par. 11-74.4-6)

2 Sec. 11-74.4-6. (a) Except as provided herein, notice of  
3 the public hearing shall be given by publication and mailing;  
4 provided, however, that no notice by mailing shall be required  
5 under this subsection (a) with respect to any redevelopment  
6 project area located within a transit facility improvement area  
7 established pursuant to Section 11-74.4-3.3. Notice by  
8 publication shall be given by publication at least twice, the  
9 first publication to be not more than 30 nor less than 10 days  
10 prior to the hearing in a newspaper of general circulation  
11 within the taxing districts having property in the proposed  
12 redevelopment project area. Notice by mailing shall be given by  
13 depositing such notice in the United States mails by certified  
14 mail addressed to the person or persons in whose name the  
15 general taxes for the last preceding year were paid on each  
16 lot, block, tract, or parcel of land lying within the project  
17 redevelopment area. Said notice shall be mailed not less than  
18 10 days prior to the date set for the public hearing. In the  
19 event taxes for the last preceding year were not paid, the  
20 notice shall also be sent to the persons last listed on the tax  
21 rolls within the preceding 3 years as the owners of such  
22 property. For redevelopment project areas with redevelopment  
23 plans or proposed redevelopment plans that would require  
24 removal of 10 or more inhabited residential units or that  
25 contain 75 or more inhabited residential units, the  
26 municipality shall make a good faith effort to notify by mail



1 all residents of the redevelopment project area. At a minimum,  
2 the municipality shall mail a notice to each residential  
3 address located within the redevelopment project area. The  
4 municipality shall endeavor to ensure that all such notices are  
5 effectively communicated and shall include (in addition to  
6 notice in English) notice in the predominant language other  
7 than English when appropriate.

8 (b) The notices issued pursuant to this Section shall  
9 include the following:

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

11 (2) The boundaries of the proposed redevelopment  
12 project area by legal description and by street location  
13 where possible.

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

16 (4) A description of the redevelopment plan or  
17 redevelopment project for the proposed redevelopment  
18 project area if a plan or project is the subject matter of  
19 the hearing.

20 (5) Such other matters as the municipality may deem  
21 appropriate.

22 (c) Not less than 45 days prior to the date set for  
23 hearing, the municipality shall give notice by mail as provided  
24 in subsection (a) to all taxing districts of which taxable  
25 property is included in the redevelopment project area, project  
26 or plan and to the Department of Commerce and Economic

1 Opportunity, and in addition to the other requirements under  
2 subsection (b) the notice shall include an invitation to the  
3 Department of Commerce and Economic Opportunity and each taxing  
4 district to submit comments to the municipality concerning the  
5 subject matter of the hearing prior to the date of hearing.

6 (d) In the event that any municipality has by ordinance  
7 adopted tax increment financing prior to 1987, and has complied  
8 with the notice requirements of this Section, except that the  
9 notice has not included the requirements of subsection (b),  
10 paragraphs (2), (3) and (4), and within 90 days of the  
11 effective date of this amendatory Act of 1991, that  
12 municipality passes an ordinance which contains findings that:  
13 (1) all taxing districts prior to the time of the hearing  
14 required by Section 11-74.4-5 were furnished with copies of a  
15 map incorporated into the redevelopment plan and project  
16 substantially showing the legal boundaries of the  
17 redevelopment project area; (2) the redevelopment plan and  
18 project, or a draft thereof, contained a map substantially  
19 showing the legal boundaries of the redevelopment project area  
20 and was available to the public at the time of the hearing; and  
21 (3) since the adoption of any form of tax increment financing  
22 authorized by this Act, and prior to June 1, 1991, no objection  
23 or challenge has been made in writing to the municipality in  
24 respect to the notices required by this Section, then the  
25 municipality shall be deemed to have met the notice  
26 requirements of this Act and all actions of the municipality

1 taken in connection with such notices as were given are hereby  
2 validated and hereby declared to be legally sufficient for all  
3 purposes of this Act.

4 (e) If a municipality desires to propose a redevelopment  
5 plan for a redevelopment project area that would result in the  
6 displacement of residents from 10 or more inhabited residential  
7 units or for a redevelopment project area that contains 75 or  
8 more inhabited residential units, the municipality shall hold a  
9 public meeting before the mailing of the notices of public  
10 hearing as provided in subsection (c) of this Section. However,  
11 such a meeting shall not be required with respect to any  
12 redevelopment plan for a redevelopment project area located  
13 within a transit facility improvement area established  
14 pursuant to Section 11-74.4-3.3 if the applicable project is  
15 subject to the process for evaluation of environmental effects  
16 under the National Environmental Policy Act of 1969, 42 U.S.C.  
17 § 4321 et seq. The meeting shall be for the purpose of enabling  
18 the municipality to advise the public, taxing districts having  
19 real property in the redevelopment project area, taxpayers who  
20 own property in the proposed redevelopment project area, and  
21 residents in the area as to the municipality's possible intent  
22 to prepare a redevelopment plan and designate a redevelopment  
23 project area and to receive public comment. The time and place  
24 for the meeting shall be set by the head of the municipality's  
25 Department of Planning or other department official designated  
26 by the mayor or city or village manager without the necessity

1 of a resolution or ordinance of the municipality and may be  
2 held by a member of the staff of the Department of Planning of  
3 the municipality or by any other person, body, or commission  
4 designated by the corporate authorities. The meeting shall be  
5 held at least 14 business days before the mailing of the notice  
6 of public hearing provided for in subsection (c) of this  
7 Section.

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

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

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

5 (3) The purpose or purposes of establishing a  
6 redevelopment project area.

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

8 (5) The name, telephone number, and address of the  
9 person who can be contacted for additional information  
10 about the proposed redevelopment project area and who  
11 should receive all comments and suggestions regarding the  
12 development of the area to be studied.

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

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

17 At the public meeting, any interested person or  
18 representative of an affected taxing district may be heard  
19 orally and may file, with the person conducting the meeting,  
20 statements that pertain to the subject matter of the meeting.

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

22 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

23 Sec. 11-74.4-8. Tax increment allocation financing. A  
24 municipality may not adopt tax increment financing in a  
25 redevelopment project area after the effective date of this

1 amendatory Act of 1997 that will encompass an area that is  
2 currently included in an enterprise zone created under the  
3 Illinois Enterprise Zone Act unless that municipality,  
4 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,  
5 amends the enterprise zone designating ordinance to limit the  
6 eligibility for tax abatements as provided in Section 5.4.1 of  
7 the Illinois Enterprise Zone Act. A municipality, at the time a  
8 redevelopment project area is designated, may adopt tax  
9 increment allocation financing by passing an ordinance  
10 providing that the ad valorem taxes, if any, arising from the  
11 levies upon taxable real property in such redevelopment project  
12 area by taxing districts and tax rates determined in the manner  
13 provided in paragraph (c) of Section 11-74.4-9 each year after  
14 the effective date of the ordinance until redevelopment project  
15 costs and all municipal obligations financing redevelopment  
16 project costs incurred under this Division have been paid shall  
17 be divided as follows, provided, however, that with respect to  
18 any redevelopment project area located within a transit  
19 facility improvement area established pursuant to Section  
20 11-74.4-3.3 in a municipality with a population of 1,000,000 or  
21 more, ad valorem taxes, if any, arising from the levies upon  
22 taxable real property in such redevelopment project area shall  
23 be allocated as specifically provided in this Section:

24 (a) That portion of taxes levied upon each taxable lot,  
25 block, tract or parcel of real property which is attributable  
26 to the lower of the current equalized assessed value or the

1 initial equalized assessed value of each such taxable lot,  
2 block, tract or parcel of real property in the redevelopment  
3 project area shall be allocated to and when collected shall be  
4 paid by the county collector to the respective affected taxing  
5 districts in the manner required by law in the absence of the  
6 adoption of tax increment allocation financing.

7 (b) Except from a tax levied by a township to retire bonds  
8 issued to satisfy court-ordered damages, that portion, if any,  
9 of such taxes which is attributable to the increase in the  
10 current equalized assessed valuation of each taxable lot,  
11 block, tract or parcel of real property in the redevelopment  
12 project area over and above the initial equalized assessed  
13 value of each property in the project area shall be allocated  
14 to and when collected shall be paid to the municipal treasurer  
15 who shall deposit said taxes into a special fund called the  
16 special tax allocation fund of the municipality for the purpose  
17 of paying redevelopment project costs and obligations incurred  
18 in the payment thereof. In any county with a population of  
19 3,000,000 or more that has adopted a procedure for collecting  
20 taxes that provides for one or more of the installments of the  
21 taxes to be billed and collected on an estimated basis, the  
22 municipal treasurer shall be paid for deposit in the special  
23 tax allocation fund of the municipality, from the taxes  
24 collected from estimated bills issued for property in the  
25 redevelopment project area, the difference between the amount  
26 actually collected from each taxable lot, block, tract, or

1 parcel of real property within the redevelopment project area  
2 and an amount determined by multiplying the rate at which taxes  
3 were last extended against the taxable lot, block, track, or  
4 parcel of real property in the manner provided in subsection  
5 (c) of Section 11-74.4-9 by the initial equalized assessed  
6 value of the property divided by the number of installments in  
7 which real estate taxes are billed and collected within the  
8 county; provided that the payments on or before December 31,  
9 1999 to a municipal treasurer shall be made only if each of the  
10 following conditions are met:

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

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

18 (3) The municipal clerk has certified to the county  
19 clerk that the municipality has issued its obligations to  
20 which there has been pledged the incremental property taxes  
21 of the redevelopment project area or taxes levied and  
22 collected on any or all property in the municipality or the  
23 full faith and credit of the municipality to pay or secure  
24 payment for all or a portion of the redevelopment project  
25 costs. The certification shall be filed annually no later  
26 than September 1 for the estimated taxes to be distributed



1 in the following year; however, for the year 1992 the  
2 certification shall be made at any time on or before March  
3 31, 1992.

4 (4) The municipality has not requested that the total  
5 initial equalized assessed value of real property be  
6 adjusted as provided in subsection (b) of Section  
7 11-74.4-9.

8 The conditions of paragraphs (1) through (4) do not apply  
9 after December 31, 1999 to payments to a municipal treasurer  
10 made by a county with 3,000,000 or more inhabitants that has  
11 adopted an estimated billing procedure for collecting taxes. If  
12 a county that has adopted the estimated billing procedure makes  
13 an erroneous overpayment of tax revenue to the municipal  
14 treasurer, then the county may seek a refund of that  
15 overpayment. The county shall send the municipal treasurer a  
16 notice of liability for the overpayment on or before the  
17 mailing date of the next real estate tax bill within the  
18 county. The refund shall be limited to the amount of the  
19 overpayment.

20 It is the intent of this Division that after the effective  
21 date of this amendatory Act of 1988 a municipality's own ad  
22 valorem tax arising from levies on taxable real property be  
23 included in the determination of incremental revenue in the  
24 manner provided in paragraph (c) of Section 11-74.4-9. If the  
25 municipality does not extend such a tax, it shall annually  
26 deposit in the municipality's Special Tax Increment Fund an

1 amount equal to 10% of the total contributions to the fund from  
2 all other taxing districts in that year. The annual 10% deposit  
3 required by this paragraph shall be limited to the actual  
4 amount of municipally produced incremental tax revenues  
5 available to the municipality from taxpayers located in the  
6 redevelopment project area in that year if: (a) the plan for  
7 the area restricts the use of the property primarily to  
8 industrial purposes, (b) the municipality establishing the  
9 redevelopment project area is a home-rule community with a 1990  
10 population of between 25,000 and 50,000, (c) the municipality  
11 is wholly located within a county with a 1990 population of  
12 over 750,000 and (d) the redevelopment project area was  
13 established by the municipality prior to June 1, 1990. This  
14 payment shall be in lieu of a contribution of ad valorem taxes  
15 on real property. If no such payment is made, any redevelopment  
16 project area of the municipality shall be dissolved.

17 If a municipality has adopted tax increment allocation  
18 financing by ordinance and the County Clerk thereafter  
19 certifies the "total initial equalized assessed value as  
20 adjusted" of the taxable real property within such  
21 redevelopment project area in the manner provided in paragraph  
22 (b) of Section 11-74.4-9, each year after the date of the  
23 certification of the total initial equalized assessed value as  
24 adjusted until redevelopment project costs and all municipal  
25 obligations financing redevelopment project costs have been  
26 paid the ad valorem taxes, if any, arising from the levies upon

1 the taxable real property in such redevelopment project area by  
2 taxing districts and tax rates determined in the manner  
3 provided in paragraph (c) of Section 11-74.4-9 shall be divided  
4 as follows, provided, however, that with respect to any  
5 redevelopment project area located within a transit facility  
6 improvement area established pursuant to Section 11-74.4-3.3  
7 in a municipality with a population of 1,000,000 or more, ad  
8 valorem taxes, if any, arising from the levies upon the taxable  
9 real property in such redevelopment project area shall be  
10 allocated as specifically provided in this Section:

11 (1) That portion of the taxes levied upon each taxable  
12 lot, block, tract or parcel of real property which is  
13 attributable to the lower of the current equalized assessed  
14 value or "current equalized assessed value as adjusted" or  
15 the initial equalized assessed value of each such taxable  
16 lot, block, tract, or parcel of real property existing at  
17 the time tax increment financing was adopted, minus the  
18 total current homestead exemptions under Article 15 of the  
19 Property Tax Code in the redevelopment project area shall  
20 be allocated to and when collected shall be paid by the  
21 county collector to the respective affected taxing  
22 districts in the manner required by law in the absence of  
23 the adoption of tax 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 to  
8 the municipal Treasurer, who shall deposit said taxes into  
9 a special fund called the special tax allocation fund of  
10 the municipality for the purpose of paying redevelopment  
11 project costs and obligations incurred in the payment  
12 thereof.

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

24 Whenever a municipality issues bonds for the purpose of  
25 financing redevelopment project costs, such municipality may  
26 provide by ordinance for the appointment of a trustee, which

1 may be any trust company within the State, and for the  
2 establishment of such funds or accounts to be maintained by  
3 such trustee as the municipality shall deem necessary to  
4 provide for the security and payment of the bonds. If such  
5 municipality provides for the appointment of a trustee, such  
6 trustee shall be considered the assignee of any payments  
7 assigned by the municipality pursuant to such ordinance and  
8 this Section. Any amounts paid to such trustee as assignee  
9 shall be deposited in the funds or accounts established  
10 pursuant to such trust agreement, and shall be held by such  
11 trustee in trust for the benefit of the holders of the bonds,  
12 and such holders shall have a lien on and a security interest  
13 in such funds or accounts so long as the bonds remain  
14 outstanding and unpaid. Upon retirement of the bonds, the  
15 trustee shall pay over any excess amounts held to the  
16 municipality for deposit in the special tax allocation fund.

17 When such redevelopment projects costs, including without  
18 limitation all municipal obligations financing redevelopment  
19 project costs incurred under this Division, have been paid, all  
20 surplus funds then remaining in the special tax allocation fund  
21 shall be distributed by being paid by the municipal treasurer  
22 to the Department of Revenue, the municipality and the county  
23 collector; first to the Department of Revenue and the  
24 municipality in direct proportion to the tax incremental  
25 revenue received from the State and the municipality, but not  
26 to exceed the total incremental revenue received from the State

1 or the municipality less any annual surplus distribution of  
2 incremental revenue previously made; with any remaining funds  
3 to be paid to the County Collector who shall immediately  
4 thereafter pay said funds to the taxing districts in the  
5 redevelopment project area in the same manner and proportion as  
6 the most recent distribution by the county collector to the  
7 affected districts of real property taxes from real property in  
8 the redevelopment project area.

9 Upon the payment of all redevelopment project costs, the  
10 retirement of obligations, the distribution of any excess  
11 monies pursuant to this Section, and final closing of the books  
12 and records of the redevelopment project area, the municipality  
13 shall adopt an ordinance dissolving the special tax allocation  
14 fund for the redevelopment project area and terminating the  
15 designation of the redevelopment project area as a  
16 redevelopment project area. Title to real or personal property  
17 and public improvements acquired by or for the municipality as  
18 a result of the redevelopment project and plan shall vest in  
19 the municipality when acquired and shall continue to be held by  
20 the municipality after the redevelopment project area has been  
21 terminated. Municipalities shall notify affected taxing  
22 districts prior to November 1 if the redevelopment project area  
23 is to be terminated by December 31 of that same year. If a  
24 municipality extends estimated dates of completion of a  
25 redevelopment project and retirement of obligations to finance  
26 a redevelopment project, as allowed by this amendatory Act of

1 1993, that extension shall not extend the property tax  
2 increment allocation financing authorized by this Section.  
3 Thereafter the rates of the taxing districts shall be extended  
4 and taxes levied, collected and distributed in the manner  
5 applicable in the absence of the adoption of tax increment  
6 allocation financing.

7 If a municipality with a population of 1,000,000 or more  
8 has adopted by ordinance tax increment allocation financing for  
9 a redevelopment project area located in a transit facility  
10 improvement area established pursuant to Section 11-74.4-3.3,  
11 for each year after the effective date of the ordinance until  
12 redevelopment project costs and all municipal obligations  
13 financing redevelopment project costs have been paid, the ad  
14 valorem taxes, if any, arising from the levies upon the taxable  
15 real property in that redevelopment project area by taxing  
16 districts and tax rates determined in the manner provided in  
17 paragraph (c) of Section 11-74.4-9 shall be divided as follows:

18 (1) That portion of the taxes levied upon each taxable  
19 lot, block, tract or parcel of real property which is  
20 attributable to the lower of (i) the current equalized  
21 assessed value or "current equalized assessed value as  
22 adjusted" or (ii) the initial equalized assessed value of  
23 each such taxable lot, block, tract, or parcel of real  
24 property existing at the time tax increment financing was  
25 adopted, minus the total current homestead exemptions  
26 under Article 15 of the Property Tax Code in the

1 redevelopment project area shall be allocated to and when  
2 collected shall be paid by the county collector to the  
3 respective affected taxing districts in the manner  
4 required by law in the absence of the adoption of tax  
5 increment allocation financing.

6 (2) That portion, if any, of such taxes which is  
7 attributable to the increase in the current equalized  
8 assessed valuation of each taxable lot, block, tract, or  
9 parcel of real property in the redevelopment project area,  
10 over and above the initial equalized assessed value of each  
11 property existing at the time tax increment financing was  
12 adopted, minus the total current homestead exemptions  
13 pertaining to each piece of property provided by Article 15  
14 of the Property Tax Code in the redevelopment project area,  
15 shall be allocated to and when collected shall be paid by  
16 the county collector as follows:

17 (A) First, that portion which would be payable to a  
18 school district whose boundaries are coterminous with  
19 such municipality in the absence of the adoption of tax  
20 increment allocation financing, shall be paid to such  
21 school district in the manner required by law in the  
22 absence of the adoption of tax increment allocation  
23 financing; then

24 (B) 80% of the remaining portion shall be paid to  
25 the municipal Treasurer, who shall deposit said taxes  
26 into a special fund called the special tax allocation



1           fund of the municipality for the purpose of paying  
2           redevelopment project costs and obligations incurred  
3           in the payment thereof; and then

4           (C) 20% of the remaining portion shall be paid to  
5           the respective affected taxing districts, other than  
6           the school district described in clause (a) above, in  
7           the manner required by law in the absence of the  
8           adoption of tax increment allocation financing.

9           Nothing in this Section shall be construed as relieving  
10          property in such redevelopment project areas from being  
11          assessed as provided in the Property Tax Code or as relieving  
12          owners of such property from paying a uniform rate of taxes, as  
13          required by Section 4 of Article IX of the Illinois  
14          Constitution.

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

16                 (65 ILCS 5/11-74.6-22)

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

19                 (a) Before adoption of an ordinance proposing the  
20                 designation of a redevelopment planning area or a redevelopment  
21                 project area, or both, or approving a redevelopment plan or  
22                 redevelopment project, the municipality or commission  
23                 designated pursuant to subsection (1) of Section 11-74.6-15  
24                 shall fix by ordinance or resolution a time and place for  
25                 public hearing. Prior to the adoption of the ordinance or

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

10 At the public hearing any interested person or affected  
11 taxing district may file with the municipal clerk written  
12 objections to the ordinance and may be heard orally on any  
13 issues that are the subject of the hearing. The municipality  
14 shall hear and determine all alternate proposals or bids for  
15 any proposed conveyance, lease, mortgage or other disposition  
16 of land and all protests and objections at the hearing and the  
17 hearing may be adjourned to another date without further notice  
18 other than a motion to be entered upon the minutes fixing the  
19 time and place of the later hearing. At the public hearing or  
20 at any time prior to the adoption by the municipality of an  
21 ordinance approving a redevelopment plan, the municipality may  
22 make changes in the redevelopment plan. Changes which (1) add  
23 additional parcels of property to the proposed redevelopment  
24 project area, (2) substantially affect the general land uses  
25 proposed in the redevelopment plan, or (3) substantially change  
26 the nature of or extend the life of the redevelopment project

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

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

1 the board's chairperson shall be selected by a majority of  
2 other board members.

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

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

1 and whether there is a basis for the municipal findings set  
2 forth in the redevelopment plan as required by this Act. If the  
3 board does not file a recommendation it shall be presumed that  
4 the board has found that the redevelopment project area  
5 satisfies the eligibility criteria.

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

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

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

26 (d) After the effective date of this amendatory Act of the

1 91st General Assembly, a municipality shall submit the  
2 following information for each redevelopment project area (i)  
3 to the State Comptroller under Section 8-8-3.5 of the Illinois  
4 Municipal Code, subject to any extensions or exemptions  
5 provided at the Comptroller's discretion under that Section,  
6 and (ii) to all taxing districts overlapping the redevelopment  
7 project area no later than 180 days after the close of each  
8 municipal fiscal year or as soon thereafter as the audited  
9 financial statements become available and, in any case, shall  
10 be submitted before the annual meeting of the joint review  
11 board to each of the taxing districts that overlap the  
12 redevelopment project area:

13 (1) Any amendments to the redevelopment plan, or the  
14 redevelopment project area.

15 (1.5) A list of the redevelopment project areas  
16 administered by the municipality and, if applicable, the  
17 date each redevelopment project area was designated or  
18 terminated by the municipality.

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

22 (3) Certification of the Chief Executive Officer of the  
23 municipality that the municipality has complied with all of  
24 the requirements of this Act during the preceding fiscal  
25 year.

26 (4) An opinion of legal counsel that the municipality

1 is in compliance with this Act.

2 (5) An analysis of the special tax allocation fund  
3 which sets forth:

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

6 (B) all amounts deposited in the special tax  
7 allocation fund by source;

8 (C) an itemized list of all expenditures from the  
9 special tax allocation fund by category of permissible  
10 redevelopment project cost; and

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

24 (6) A description of all property purchased by the  
25 municipality within the redevelopment project area  
26 including:



1 (A) Street address.

2 (B) Approximate size or description of property.

3 (C) Purchase price.

4 (D) Seller of property.

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

8 (A) Any project implemented in the preceding  
9 fiscal year.

10 (B) A description of the redevelopment activities  
11 undertaken.

12 (C) A description of any agreements entered into by  
13 the municipality with regard to the disposition or  
14 redevelopment of any property within the redevelopment  
15 project area.

16 (D) Additional information on the use of all funds  
17 received under this Division and steps taken by the  
18 municipality to achieve the objectives of the  
19 redevelopment plan.

20 (E) Information regarding contracts that the  
21 municipality's tax increment advisors or consultants  
22 have entered into with entities or persons that have  
23 received, or are receiving, payments financed by tax  
24 increment revenues produced by the same redevelopment  
25 project area.

26 (F) Any reports submitted to the municipality by

1 the joint review board.

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

14 (8) With regard to any obligations issued by the  
15 municipality:

16 (A) copies of any official statements; and

17 (B) an analysis prepared by financial advisor or  
18 underwriter setting forth: (i) nature and term of  
19 obligation; and (ii) projected debt service including  
20 required reserves and debt coverage.

21 (9) For special tax allocation funds that have received  
22 cumulative deposits of incremental tax revenues of  
23 \$100,000 or more, a certified audit report reviewing  
24 compliance with this Act performed by an independent public  
25 accountant certified and licensed by the authority of the  
26 State of Illinois. The financial portion of the audit must

1 be conducted in accordance with Standards for Audits of  
2 Governmental Organizations, Programs, Activities, and  
3 Functions adopted by the Comptroller General of the United  
4 States (1981), as amended, or the standards specified by  
5 Section 8-8-5 of the Illinois Municipal Auditing Law of the  
6 Illinois Municipal Code. The audit report shall contain a  
7 letter from the independent certified public accountant  
8 indicating compliance or noncompliance with the  
9 requirements of subsection (o) of Section 11-74.6-10.

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

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

16 Section 99. Effective date. This Act takes effect upon  
17 becoming law."