

1 AN ACT concerning taxation.

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

4 Section 5. The Illinois Municipal Code is amended by  
5 changing Sections 8-11-20, 11-74.4-3, 11-74.4-4.1, 11-74.4-5,  
6 and 11-74.4-7 as follows:

7 (65 ILCS 5/8-11-20)

8 Sec. 8-11-20. Economic incentive agreements. The  
9 corporate authorities of a municipality may enter into an  
10 economic incentive agreement relating to the development or  
11 redevelopment of land within the corporate limits of the  
12 municipality. Under this agreement, the municipality may  
13 agree to share or rebate a portion of any retailers'  
14 occupation taxes received by the municipality that were  
15 generated by the development or redevelopment over a finite  
16 period of time. Before entering into the agreement  
17 authorized by this Section, the corporate authorities shall  
18 make the following findings:

19 (1) If the property subject to the agreement is vacant:

20 (A) that the property has remained vacant for at  
21 least one year, or

22 (B) that any building located on the property was  
23 demolished within the last year and that the building  
24 would have qualified under finding (2) of this Section;

25 (2) If the property subject to the agreement is  
26 currently developed:

27 (A) that the buildings on the property no longer  
28 comply with current building codes, or

29 (B) that the buildings on the property have  
30 remained less than significantly unoccupied or  
31 underutilized for a period of at least one year;

1 (3) That the project is expected to create or retain job  
2 opportunities within the municipality;

3 (4) That the project will serve to further the  
4 development of adjacent areas;

5 (5) That without the agreement, the project would not be  
6 possible;

7 (6) That the developer meets high standards of  
8 creditworthiness and financial strength as demonstrated by  
9 one or more of the following:

10 (A) corporate debenture ratings of BBB or higher by  
11 Standard & Poor's Corporation or Baa or higher by Moody's  
12 Investors Service, Inc.;

13 (B) a letter from a financial institution with  
14 assets of \$10,000,000 or more attesting to the financial  
15 strength of the developer; or

16 (C) specific evidence of equity financing for not  
17 less than 50% of the total project costs;

18 (7) That the project will strengthen the commercial  
19 sector of the municipality;

20 (8) That the project will enhance the tax base of the  
21 municipality; and

22 (9) That the agreement is made in the best interest of  
23 the municipality.

24 (Source: P.A. 89-63, eff. 6-30-95.)

25 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

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

30 (a) For any redevelopment project area that has been  
31 designated pursuant to this Section by an ordinance adopted  
32 prior to November 1, 1999 (the effective date of Public Act  
33 91-478), "blighted area" shall have the meaning set forth in

1 this Section prior to that date.

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

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

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

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

26 (C) Deterioration. With respect to buildings,  
27 defects including, but not limited to, major defects  
28 in the secondary building components such as doors,  
29 windows, porches, gutters and downspouts, and  
30 fascia. With respect to surface improvements, that  
31 the condition of roadways, alleys, curbs, gutters,  
32 sidewalks, off-street parking, and surface storage  
33 areas evidence deterioration, including, but not  
34 limited to, surface cracking, crumbling, potholes,

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

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

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

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

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

34          (H) Inadequate utilities. Underground and

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

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

30 (J) Deleterious land use or layout. The  
31 existence of incompatible land-use relationships,  
32 buildings occupied by inappropriate mixed-uses, or  
33 uses considered to be noxious, offensive, or  
34 unsuitable for the surrounding area.

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

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

28           (M) The total equalized assessed value of the  
29 proposed redevelopment project area has declined for  
30 3 of the last 5 calendar years prior to the year in  
31 which the redevelopment project area is designated  
32 or is increasing at an annual rate that is less than  
33 the balance of the municipality for 3 of the last 5  
34 calendar years for which information is available or

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

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

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

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

29 (C) Tax and special assessment delinquencies  
30 exist or the property has been the subject of tax  
31 sales under the Property Tax Code within the last 5  
32 years.

33 (D) Deterioration of structures or site  
34 improvements in neighboring areas adjacent to the

1 vacant land.

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

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

27 (3) If vacant, the sound growth of the  
28 redevelopment project area is impaired by one of the  
29 following factors that (i) is present, with that presence  
30 documented, to a meaningful extent so that a municipality  
31 may reasonably find that the factor is clearly present  
32 within the intent of the Act and (ii) is reasonably  
33 distributed throughout the vacant part of the  
34 redevelopment project area to which it pertains:



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

3           (B) The area consists of unused railyards,  
4           rail tracks, or railroad rights-of-way.

5           (C) The area, prior to its designation, is  
6           subject to chronic flooding that adversely impacts  
7           on real property in the area as certified by a  
8           registered professional engineer or appropriate  
9           regulatory agency.

10          (D) The area consists of an unused or illegal  
11          disposal site containing earth, stone, building  
12          debris, or similar materials that were removed from  
13          construction, demolition, excavation, or dredge  
14          sites.

15          (E) Prior to November 1, 1999, the area is not  
16          less than 50 nor more than 100 acres and 75% of  
17          which is vacant (notwithstanding that the area has  
18          been used for commercial agricultural purposes  
19          within 5 years prior to the designation of the  
20          redevelopment project area), and the area meets at  
21          least one of the factors itemized in paragraph (1)  
22          of this subsection, the area has been designated as  
23          a town or village center by ordinance or  
24          comprehensive plan adopted prior to January 1, 1982,  
25          and the area has not been developed for that  
26          designated purpose.

27          (F) The area qualified as a blighted improved  
28          area immediately prior to becoming vacant, unless  
29          there has been substantial private investment in the  
30          immediately surrounding area.

31          (b) For any redevelopment project area that has been  
32          designated pursuant to this Section by an ordinance adopted  
33          prior to November 1, 1999 (the effective date of Public Act  
34          91-478), "conservation area" shall have the meaning set forth

1 in this Section prior to that date.

2 On and after November 1, 1999, "conservation area" means  
3 any improved area within the boundaries of a redevelopment  
4 project area located within the territorial limits of the  
5 municipality in which 50% or more of the structures in the  
6 area have an age of 35 years or more. Such an area is not  
7 yet a blighted area but because of a combination of 3 or more  
8 of the following factors is detrimental to the public safety,  
9 health, morals or welfare and such an area may become a  
10 blighted area:

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

18 (2) Obsolescence. The condition or process of  
19 falling into disuse. Structures have become ill-suited  
20 for the original use.

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

31 (4) Presence of structures below minimum code  
32 standards. All structures that do not meet the standards  
33 of zoning, subdivision, building, fire, and other  
34 governmental codes applicable to property, but not

1 including housing and property maintenance codes.

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

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

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

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

33 (9) Excessive land coverage and overcrowding of  
34 structures and community facilities. The over-intensive

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

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

23 (11) Lack of community planning. The proposed  
24 redevelopment project area was developed prior to or  
25 without the benefit or guidance of a community plan. This  
26 means that the development occurred prior to the adoption  
27 by the municipality of a comprehensive or other community  
28 plan or that the plan was not followed at the time of the  
29 area's development. This factor must be documented by  
30 evidence of adverse or incompatible land-use  
31 relationships, inadequate street layout, improper  
32 subdivision, parcels of inadequate shape and size to meet  
33 contemporary development standards, or other evidence  
34 demonstrating an absence of effective community planning.

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

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

23          (c) "Industrial park" means an area in a blighted or  
24          conservation area suitable for use by any manufacturing,  
25          industrial, research or transportation enterprise, of  
26          facilities to include but not be limited to factories, mills,  
27          processing plants, assembly plants, packing plants,  
28          fabricating plants, industrial distribution centers,  
29          warehouses, repair overhaul or service facilities, freight  
30          terminals, research facilities, test facilities or railroad  
31          facilities.

32          (d) "Industrial park conservation area" means an area  
33          within the boundaries of a redevelopment project area located  
34          within the territorial limits of a municipality that is a

1 labor surplus municipality or within 1 1/2 miles of the  
2 territorial limits of a municipality that is a labor surplus  
3 municipality if the area is annexed to the municipality;  
4 which area is zoned as industrial no later than at the time  
5 the municipality by ordinance designates the redevelopment  
6 project area, and which area includes both vacant land  
7 suitable for use as an industrial park and a blighted area or  
8 conservation area contiguous to such vacant land.

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

22 (f) "Municipality" shall mean a city, village or  
23 incorporated town.

24 (g) "Initial Sales Tax Amounts" means the amount of  
25 taxes paid under the Retailers' Occupation Tax Act, Use Tax  
26 Act, Service Use Tax Act, the Service Occupation Tax Act, the  
27 Municipal Retailers' Occupation Tax Act, and the Municipal  
28 Service Occupation Tax Act by retailers and servicemen on  
29 transactions at places located in a State Sales Tax Boundary  
30 during the calendar year 1985.

31 (g-1) "Revised Initial Sales Tax Amounts" means the  
32 amount of taxes paid under the Retailers' Occupation Tax Act,  
33 Use Tax Act, Service Use Tax Act, the Service Occupation Tax  
34 Act, the Municipal Retailers' Occupation Tax Act, and the

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

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

1 Amounts, the Adjusted Initial Sales Tax Amounts or the  
2 Revised Initial Sales Tax Amounts for the Municipal  
3 Retailers' Occupation Tax Act and the Municipal Service  
4 Occupation Tax Act. For the State Fiscal Year 1989, this  
5 calculation shall be made by utilizing the calendar year 1987  
6 to determine the tax amounts received. For the State Fiscal  
7 Year 1990, this calculation shall be made by utilizing the  
8 period from January 1, 1988, until September 30, 1988, to  
9 determine the tax amounts received from retailers and  
10 servicemen pursuant to the Municipal Retailers' Occupation  
11 Tax and the Municipal Service Occupation Tax Act, which shall  
12 have deducted therefrom nine-twelfths of the certified  
13 Initial Sales Tax Amounts, the Adjusted Initial Sales Tax  
14 Amounts or the Revised Initial Sales Tax Amounts as  
15 appropriate. For the State Fiscal Year 1991, this calculation  
16 shall be made by utilizing the period from October 1, 1988,  
17 to June 30, 1989, to determine the tax amounts received from  
18 retailers and servicemen pursuant to the Municipal Retailers'  
19 Occupation Tax and the Municipal Service Occupation Tax Act  
20 which shall have deducted therefrom nine-twelfths of the  
21 certified Initial Sales Tax Amounts, Adjusted Initial Sales  
22 Tax Amounts or the Revised Initial Sales Tax Amounts as  
23 appropriate. For every State Fiscal Year thereafter, the  
24 applicable period shall be the 12 months beginning July 1 and  
25 ending June 30 to determine the tax amounts received which  
26 shall have deducted therefrom the certified Initial Sales Tax  
27 Amounts, the Adjusted Initial Sales Tax Amounts or the  
28 Revised Initial Sales Tax Amounts, as the case may be.

29 (i) "Net State Sales Tax Increment" means the sum of the  
30 following: (a) 80% of the first \$100,000 of State Sales Tax  
31 Increment annually generated within a State Sales Tax  
32 Boundary; (b) 60% of the amount in excess of \$100,000 but not  
33 exceeding \$500,000 of State Sales Tax Increment annually  
34 generated within a State Sales Tax Boundary; and (c) 40% of



1 all amounts in excess of \$500,000 of State Sales Tax  
2 Increment annually generated within a State Sales Tax  
3 Boundary. If, however, a municipality established a tax  
4 increment financing district in a county with a population in  
5 excess of 3,000,000 before January 1, 1986, and the  
6 municipality entered into a contract or issued bonds after  
7 January 1, 1986, but before December 31, 1986, to finance  
8 redevelopment project costs within a State Sales Tax  
9 Boundary, then the Net State Sales Tax Increment means, for  
10 the fiscal years beginning July 1, 1990, and July 1, 1991,  
11 100% of the State Sales Tax Increment annually generated  
12 within a State Sales Tax Boundary; and notwithstanding any  
13 other provision of this Act, for those fiscal years the  
14 Department of Revenue shall distribute to those  
15 municipalities 100% of their Net State Sales Tax Increment  
16 before any distribution to any other municipality and  
17 regardless of whether or not those other municipalities will  
18 receive 100% of their Net State Sales Tax Increment. For  
19 Fiscal Year 1999, and every year thereafter until the year  
20 2007, for any municipality that has not entered into a  
21 contract or has not issued bonds prior to June 1, 1988 to  
22 finance redevelopment project costs within a State Sales Tax  
23 Boundary, the Net State Sales Tax Increment shall be  
24 calculated as follows: By multiplying the Net State Sales Tax  
25 Increment by 90% in the State Fiscal Year 1999; 80% in the  
26 State Fiscal Year 2000; 70% in the State Fiscal Year 2001;  
27 60% in the State Fiscal Year 2002; 50% in the State Fiscal  
28 Year 2003; 40% in the State Fiscal Year 2004; 30% in the  
29 State Fiscal Year 2005; 20% in the State Fiscal Year 2006;  
30 and 10% in the State Fiscal Year 2007. No payment shall be  
31 made for State Fiscal Year 2008 and thereafter.

32 Municipalities that issued bonds in connection with a  
33 redevelopment project in a redevelopment project area within  
34 the State Sales Tax Boundary prior to July 29, 1991, or that

1 entered into contracts in connection with a redevelopment  
2 project in a redevelopment project area before June 1, 1988,  
3 shall continue to receive their proportional share of the  
4 Illinois Tax Increment Fund distribution until the date on  
5 which the redevelopment project is completed or terminated,  
6 or the date on which the bonds are retired or the contracts  
7 are completed, whichever date occurs first. Refunding of any  
8 bonds issued prior to July 29, 1991, shall not alter the Net  
9 State Sales Tax Increment.

10 (j) "State Utility Tax Increment Amount" means an amount  
11 equal to the aggregate increase in State electric and gas tax  
12 charges imposed on owners and tenants, other than residential  
13 customers, of properties located within the redevelopment  
14 project area under Section 9-222 of the Public Utilities Act,  
15 over and above the aggregate of such charges as certified by  
16 the Department of Revenue and paid by owners and tenants,  
17 other than residential customers, of properties within the  
18 redevelopment project area during the base year, which shall  
19 be the calendar year immediately prior to the year of the  
20 adoption of the ordinance authorizing tax increment  
21 allocation financing.

22 (k) "Net State Utility Tax Increment" means the sum of  
23 the following: (a) 80% of the first \$100,000 of State Utility  
24 Tax Increment annually generated by a redevelopment project  
25 area; (b) 60% of the amount in excess of \$100,000 but not  
26 exceeding \$500,000 of the State Utility Tax Increment  
27 annually generated by a redevelopment project area; and (c)  
28 40% of all amounts in excess of \$500,000 of State Utility Tax  
29 Increment annually generated by a redevelopment project area.  
30 For the State Fiscal Year 1999, and every year thereafter  
31 until the year 2007, for any municipality that has not  
32 entered into a contract or has not issued bonds prior to June  
33 1, 1988 to finance redevelopment project costs within a  
34 redevelopment project area, the Net State Utility Tax

1 Increment shall be calculated as follows: By multiplying the  
2 Net State Utility Tax Increment by 90% in the State Fiscal  
3 Year 1999; 80% in the State Fiscal Year 2000; 70% in the  
4 State Fiscal Year 2001; 60% in the State Fiscal Year 2002;  
5 50% in the State Fiscal Year 2003; 40% in the State Fiscal  
6 Year 2004; 30% in the State Fiscal Year 2005; 20% in the  
7 State Fiscal Year 2006; and 10% in the State Fiscal Year  
8 2007. No payment shall be made for the State Fiscal Year 2008  
9 and thereafter.

10 Municipalities that issue bonds in connection with the  
11 redevelopment project during the period from June 1, 1988  
12 until 3 years after the effective date of this Amendatory Act  
13 of 1988 shall receive the Net State Utility Tax Increment,  
14 subject to appropriation, for 15 State Fiscal Years after the  
15 issuance of such bonds. For the 16th through the 20th State  
16 Fiscal Years after issuance of the bonds, the Net State  
17 Utility Tax Increment shall be calculated as follows: By  
18 multiplying the Net State Utility Tax Increment by 90% in  
19 year 16; 80% in year 17; 70% in year 18; 60% in year 19; and  
20 50% in year 20. Refunding of any bonds issued prior to June  
21 1, 1988, shall not alter the revised Net State Utility Tax  
22 Increment payments set forth above.

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

27 (m) "Payment in lieu of taxes" means those estimated tax  
28 revenues from real property in a redevelopment project area  
29 derived from real property that has been acquired by a  
30 municipality which according to the redevelopment project or  
31 plan is to be used for a private use which taxing districts  
32 would have received had a municipality not acquired the real  
33 property and adopted tax increment allocation financing and  
34 which would result from levies made after the time of the

1 adoption of tax increment allocation financing to the time  
2 the current equalized value of real property in the  
3 redevelopment project area exceeds the total initial  
4 equalized value of real property in said area.

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

26 (A) an itemized list of estimated redevelopment  
27 project costs;

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

31 (C) an assessment of any financial impact of the  
32 redevelopment project area on or any increased demand for  
33 services from any taxing district affected by the plan  
34 and any program to address such financial impact or

1 increased demand;

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

3 (E) the nature and term of the obligations to be  
4 issued;

5 (F) the most recent equalized assessed valuation of  
6 the redevelopment project area;

7 (G) an estimate as to the equalized assessed  
8 valuation after redevelopment and the general land uses  
9 to apply in the redevelopment project area;

10 (H) a commitment to fair employment practices and  
11 an affirmative action plan;

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

20 (J) if property is to be annexed to the  
21 municipality, the plan shall include the terms of the  
22 annexation agreement.

23 The provisions of items (B) and (C) of this subsection  
24 (n) shall not apply to a municipality that before March 14,  
25 1994 (the effective date of Public Act 88-537) had fixed,  
26 either by its corporate authorities or by a commission  
27 designated under subsection (k) of Section 11-74.4-4, a time  
28 and place for a public hearing as required by subsection (a)  
29 of Section 11-74.4-5. No redevelopment plan shall be adopted  
30 unless a municipality complies with all of the following  
31 requirements:

32 (1) The municipality finds that the redevelopment  
33 project area on the whole has not been subject to growth  
34 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.

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

14 (3) The redevelopment plan establishes the  
15 estimated dates of completion of the redevelopment  
16 project and retirement of obligations issued to finance  
17 redevelopment project costs. Those dates shall not be  
18 later than December 31 of the year in which the payment  
19 to the municipal treasurer as provided in subsection (b)  
20 of Section 11-74.4-8 of this Act is to be made with  
21 respect to ad valorem taxes levied in the twenty-third  
22 calendar year after the year in which the ordinance  
23 approving the redevelopment project area is adopted if  
24 the ordinance was adopted on or after January 15, 1981,  
25 and not later than December 31 of the year in which the  
26 payment to the municipal treasurer as provided in  
27 subsection (b) of Section 11-74.4-8 of this Act is to be  
28 made with respect to ad valorem taxes levied in the  
29 thirty-fifth calendar year after the year in which the  
30 ordinance approving the redevelopment project area is  
31 adopted:

32 (A) if the ordinance was adopted before  
33 January 15, 1981, or

34 (B) if the ordinance was adopted in December

1 1983, April 1984, July 1985, or December 1989, or

2 (C) if the ordinance was adopted in December  
3 1987 and the redevelopment project is located within  
4 one mile of Midway Airport, or

5 (D) if the ordinance was adopted before  
6 January 1, 1987 by a municipality in Mason County,  
7 or

8 (E) if the municipality is subject to the  
9 Local Government Financial Planning and Supervision  
10 Act or the Financially Distressed City Law, or

11 (F) if the ordinance was adopted in December  
12 1984 by the Village of Rosemont, or

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

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

27 (I) if the ordinance was adopted on November  
28 12, 1991 by the Village of Sauget, or

29 (J) if the ordinance was adopted on February  
30 11, 1985 by the City of Rock Island, or

31 (K) if the ordinance was adopted before  
32 December 18, 1986 by the City of Moline.

33 However, for redevelopment project areas for which  
34 bonds were issued before July 29, 1991, or for which

1 contracts were entered into before June 1, 1988, in  
2 connection with a redevelopment project in the area  
3 within the State Sales Tax Boundary, the estimated dates  
4 of completion of the redevelopment project and retirement  
5 of obligations to finance redevelopment project costs may  
6 be extended by municipal ordinance to December 31, 2013.  
7 The extension allowed by this amendatory Act of 1993  
8 shall not apply to real property tax increment allocation  
9 financing under Section 11-74.4-8.

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

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

31 Those dates, for purposes of real property tax  
32 increment allocation financing pursuant to Section  
33 11-74.4-8 only, shall be not more than 35 years for  
34 redevelopment project areas that were established on or



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

11 (3.5) The municipality finds, in the case of an  
12 industrial park conservation area, also that the  
13 municipality is a labor surplus municipality and that the  
14 implementation of the redevelopment plan will reduce  
15 unemployment, create new jobs and by the provision of new  
16 facilities enhance the tax base of the taxing districts  
17 that extend into the redevelopment project area.

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

27 (5) On and after November 1, 1999, if the  
28 redevelopment plan will not result in displacement of 10  
29 or more residents from inhabited units, and the  
30 municipality certifies in the plan that such displacement  
31 will not result from the plan, a housing impact study  
32 need not be performed. If, however, the redevelopment  
33 plan would result in the displacement of residents from  
34 10 or more inhabited residential units, or if the

1 redevelopment project area contains 75 or more inhabited  
2 residential units and no certification is made, then the  
3 municipality shall prepare, as part of the separate  
4 feasibility report required by subsection (a) of Section  
5 11-74.4-5, a housing impact study.

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

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

33 (6) On and after November 1, 1999, the housing  
34 impact study required by paragraph (5) shall be

1 incorporated in the redevelopment plan for the  
2 redevelopment project area.

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

24 (8) On and after November 1, 1999, if, after the  
25 adoption of the redevelopment plan for the redevelopment  
26 project area, any municipality desires to amend its  
27 redevelopment plan to remove more inhabited residential  
28 units than specified in its original redevelopment plan,  
29 that increase in the number of units to be removed shall  
30 be deemed to be a change in the nature of the  
31 redevelopment plan as to require compliance with the  
32 procedures in this Act pertaining to the initial approval  
33 of a redevelopment plan.

34 (o) "Redevelopment project" means any public and private

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

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

21 (q) "Redevelopment project costs" mean and include the  
22 sum total of all reasonable or necessary costs incurred or  
23 estimated to be incurred, and any such costs incidental to a  
24 redevelopment plan and a redevelopment project. Such costs  
25 include, without limitation, the following:

26 (1) Costs of studies, surveys, development of  
27 plans, and specifications, implementation and  
28 administration of the redevelopment plan including but  
29 not limited to staff and professional service costs for  
30 architectural, engineering, legal, financial, planning or  
31 other services, provided however that no charges for  
32 professional services may be based on a percentage of the  
33 tax increment collected; except that on and after  
34 November 1, 1999 (the effective date of Public Act

1 91-478), no contracts for professional services,  
2 excluding architectural and engineering services, may be  
3 entered into if the terms of the contract extend beyond a  
4 period of 3 years. In addition, "redevelopment project  
5 costs" shall not include lobbying expenses. After  
6 consultation with the municipality, each tax increment  
7 consultant or advisor to a municipality that plans to  
8 designate or has designated a redevelopment project area  
9 shall inform the municipality in writing of any contracts  
10 that the consultant or advisor has entered into with  
11 entities or individuals that have received, or are  
12 receiving, payments financed by tax increment revenues  
13 produced by the redevelopment project area with respect  
14 to which the consultant or advisor has performed, or will  
15 be performing, service for the municipality. This  
16 requirement shall be satisfied by the consultant or  
17 advisor before the commencement of services for the  
18 municipality and thereafter whenever any other contracts  
19 with those individuals or entities are executed by the  
20 consultant or advisor;

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

27 (1.6) The cost of marketing sites within the  
28 redevelopment project area to prospective businesses,  
29 developers, and investors;

30 (2) Property assembly costs, including but not  
31 limited to acquisition of land and other property, real  
32 or personal, or rights or interests therein, demolition  
33 of buildings, site preparation, site improvements that  
34 serve as an engineered barrier addressing ground level or

1 below ground environmental contamination, including, but  
2 not limited to parking lots and other concrete or asphalt  
3 barriers, and the clearing and grading of land;

4 (3) Costs of rehabilitation, reconstruction or  
5 repair or remodeling of existing public or private  
6 buildings, fixtures, and leasehold improvements; and the  
7 cost of replacing an existing public building if pursuant  
8 to the implementation of a redevelopment project the  
9 existing public building is to be demolished to use the  
10 site for private investment or devoted to a different use  
11 requiring private investment;

12 (4) Costs of the construction of public works or  
13 improvements, except that on and after November 1, 1999,  
14 redevelopment project costs shall not include the cost of  
15 constructing a new municipal public building principally  
16 used to provide offices, storage space, or conference  
17 facilities or vehicle storage, maintenance, or repair for  
18 administrative, public safety, or public works personnel  
19 and that is not intended to replace an existing public  
20 building as provided under paragraph (3) of subsection  
21 (q) of Section 11-74.4-3 unless either (i) the  
22 construction of the new municipal building implements a  
23 redevelopment project that was included in a  
24 redevelopment plan that was adopted by the municipality  
25 prior to November 1, 1999 or (ii) the municipality makes  
26 a reasonable determination in the redevelopment plan,  
27 supported by information that provides the basis for that  
28 determination, that the new municipal building is  
29 required to meet an increase in the need for public  
30 safety purposes anticipated to result from the  
31 implementation of the redevelopment plan;

32 (5) Costs of job training and retraining projects,  
33 including the cost of "welfare to work" programs  
34 implemented by businesses located within the

1 redevelopment project area;

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

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

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

34 (A) for foundation districts, excluding any

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

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

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

33 (iii) for secondary school districts with  
34 a district average 1995-96 Per Capita Tuition



1 Charge of less than \$5,900, no more than 8% of  
2 the total amount of property tax increment  
3 revenue produced by those housing units that  
4 have received tax increment finance assistance  
5 under this Act.

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

28 (i) for unit school districts, no more  
29 than 40% of the total amount of property tax  
30 increment revenue produced by those housing  
31 units that have received tax increment finance  
32 assistance under this Act;

33 (ii) for elementary school districts, no  
34 more than 27% of the total amount of property

1 tax increment revenue produced by those housing  
2 units that have received tax increment finance  
3 assistance under this Act; and

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

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

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

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

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

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

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

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

18 (9) Payment in lieu of taxes;

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

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

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

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

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

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

26 (D) the total of such interest payments paid  
27 pursuant to this Act may not exceed 30% of the total  
28 (i) cost paid or incurred by the redeveloper for the  
29 redevelopment project plus (ii) redevelopment  
30 project costs excluding any property assembly costs  
31 and any relocation costs incurred by a municipality  
32 pursuant to this Act; and

33 (E) the cost limits set forth in subparagraphs  
34 (B) and (D) of paragraph (11) shall be modified for

1 the financing of rehabilitated or new housing units  
2 for low-income households and very low-income  
3 households, as defined in Section 3 of the Illinois  
4 Affordable Housing Act. The percentage of 75% shall  
5 be substituted for 30% in subparagraphs (B) and (D)  
6 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  
10 any other provisions of this Act to the contrary,  
11 the municipality may pay from tax increment revenues  
12 up to 50% of the cost of construction of new housing  
13 units to be occupied by low-income households and  
14 very low-income households as defined in Section 3  
15 of the 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  
18 this Act or other constitutional or statutory  
19 authority or from other sources of municipal revenue  
20 that may be reimbursed from tax increment revenues  
21 or the proceeds of bonds issued to finance the  
22 construction of that housing.

23 The eligible costs provided under this  
24 subparagraph (F) of paragraph (11) shall be an  
25 eligible cost for the construction, renovation, and  
26 rehabilitation of all low and very low-income  
27 housing units, as defined in Section 3 of the  
28 Illinois Affordable Housing Act, within the  
29 redevelopment project area. If the low and very  
30 low-income units are part of a residential  
31 redevelopment project that includes units not  
32 affordable to low and very low-income households,  
33 only the low and very low-income units shall be  
34 eligible for benefits under subparagraph (F) of

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

29 (11.5) If the redevelopment project area is located  
30 within a municipality with a population of more than  
31 100,000, the cost of day care services for children of  
32 employees from low-income families working for businesses  
33 located within the redevelopment project area and all or  
34 a portion of the cost of operation of day care centers

1 established by redevelopment project area businesses to  
2 serve employees from low-income families working in  
3 businesses located in the redevelopment project area.  
4 For the purposes of this paragraph, "low-income families"  
5 means families whose annual income does not exceed 80% of  
6 the municipal, county, or regional median income,  
7 adjusted for family size, as the annual income and  
8 municipal, county, or regional median income are  
9 determined from time to time by the United States  
10 Department of Housing and Urban Development.

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

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

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

8           (r) "State Sales Tax Boundary" means the redevelopment  
9 project area or the amended redevelopment project area  
10 boundaries which are determined pursuant to subsection (9) of  
11 Section 11-74.4-8a of this Act. The Department of Revenue  
12 shall certify pursuant to subsection (9) of Section  
13 11-74.4-8a the appropriate boundaries eligible for the  
14 determination of State Sales Tax Increment.

15           (s) "State Sales Tax Increment" means an amount equal to  
16 the increase in the aggregate amount of taxes paid by  
17 retailers and servicemen, other than retailers and servicemen  
18 subject to the Public Utilities Act, on transactions at  
19 places of business located within a State Sales Tax Boundary  
20 pursuant to the Retailers' Occupation Tax Act, the Use Tax  
21 Act, the Service Use Tax Act, and the Service Occupation Tax  
22 Act, except such portion of such increase that is paid into  
23 the State and Local Sales Tax Reform Fund, the Local  
24 Government Distributive Fund, the Local Government Tax  
25 Fund and the County and Mass Transit District Fund, for as  
26 long as State participation exists, over and above the  
27 Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts  
28 or the Revised Initial Sales Tax Amounts for such taxes as  
29 certified by the Department of Revenue and paid under those  
30 Acts by retailers and servicemen on transactions at places of  
31 business located within the State Sales Tax Boundary during  
32 the base year which shall be the calendar year immediately  
33 prior to the year in which the municipality adopted tax  
34 increment allocation financing, less 3.0% of such amounts



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

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

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

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

21 (v) As used in subsection (a) of Section 11-74.4-3 of  
22 this Act, "vacant land" means any parcel or combination of  
23 parcels of real property without industrial, commercial, and  
24 residential buildings which has not been used for commercial  
25 agricultural purposes within 5 years prior to the designation  
26 of the redevelopment project area, unless the parcel is  
27 included in an industrial park conservation area or the  
28 parcel has been subdivided; provided that if the parcel was  
29 part of a larger tract that has been divided into 3 or more  
30 smaller tracts that were accepted for recording during the  
31 period from 1950 to 1990, then the parcel shall be deemed to  
32 have been subdivided, and all proceedings and actions of the  
33 municipality taken in that connection with respect to any  
34 previously approved or designated redevelopment project area

1 or amended redevelopment project area are hereby validated  
2 and hereby declared to be legally sufficient for all purposes  
3 of this Act. For purposes of this Section and only for land  
4 subject to the subdivision requirements of the Plat Act, land  
5 is subdivided when the original plat of the proposed  
6 Redevelopment Project Area or relevant portion thereof has  
7 been properly certified, acknowledged, approved, and recorded  
8 or filed in accordance with the Plat Act and a preliminary  
9 plat, if any, for any subsequent phases of the proposed  
10 Redevelopment Project Area or relevant portion thereof has  
11 been properly approved and filed in accordance with the  
12 applicable ordinance of the municipality.

13 (w) "Annual Total Increment" means the sum of each  
14 municipality's annual Net Sales Tax Increment and each  
15 municipality's annual Net Utility Tax Increment. The ratio  
16 of the Annual Total Increment of each municipality to the  
17 Annual Total Increment for all municipalities, as most  
18 recently calculated by the Department, shall determine the  
19 proportional shares of the Illinois Tax Increment Fund to be  
20 distributed to each municipality.

21 (Source: P.A. 90-379, eff. 8-14-97; 91-261, eff. 7-23-99;  
22 91-477, eff. 8-11-99; 91-478, eff. 11-1-99; 91-642, eff.  
23 8-20-99; 91-763, eff. 6-9-00)

24 (65 ILCS 5/11-74.4-4.1)

25 Sec. 11-74.4-4.1. Feasibility study.

26 (a) If a municipality by its corporate authorities, or  
27 as it may determine by any commission designated under  
28 subsection (k) of Section 11-74.4-4, adopts an ordinance or  
29 resolution providing for a feasibility study on the  
30 designation of an area as a redevelopment project area, a  
31 copy of the ordinance or resolution shall immediately be sent  
32 to all taxing districts that would be affected by the  
33 designation.

1 On and after the effective date of this amendatory Act of  
2 the 91st General Assembly, the ordinance or resolution shall  
3 include:

4 (1) The boundaries of the area to be studied for  
5 possible designation as a redevelopment project area.

6 (2) The purpose or purposes of the proposed  
7 redevelopment plan and project.

8 (3) A general description of tax increment  
9 allocation financing under this Act.

10 (4) The name, phone number, and address of the  
11 municipal officer who can be contacted for additional  
12 information about the proposed redevelopment project area  
13 and who should receive all comments and suggestions  
14 regarding the redevelopment of the area to be studied.

15 (b) If one of the purposes of the planned redevelopment  
16 project area should reasonably be expected to result in the  
17 displacement of residents from 10 or more inhabited  
18 residential units, the municipality shall adopt a resolution  
19 or ordinance providing for the feasibility study described in  
20 subsection (a). The ordinance or resolution shall also  
21 require that the feasibility study include the preparation of  
22 the housing impact study set forth in paragraph (5) of  
23 subsection (n) of Section 11-74.4-3. If the redevelopment  
24 plan will not result in displacement of 10 or more residents  
25 from inhabited units, and the municipality certifies in the  
26 plan that such displacement will not result from the plan,  
27 then a resolution or ordinance need not be adopted.

28 (Source: P.A. 91-478, eff. 11-1-99.)

29 (65 ILCS 5/11-74.4-5) (from Ch. 24, par. 11-74.4-5)

30 Sec. 11-74.4-5. (a) The changes made by this amendatory  
31 Act of the 91st General Assembly do not apply to a  
32 municipality that, (i) before the effective date of this  
33 amendatory Act of the 91st General Assembly, has adopted an

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

16 Prior to the adoption of an ordinance proposing the  
17 designation of a redevelopment project area, or approving a  
18 redevelopment plan or redevelopment project, the municipality  
19 by its corporate authorities, or as it may determine by any  
20 commission designated under subsection (k) of Section  
21 11-74.4-4 shall adopt an ordinance or resolution fixing a  
22 time and place for public hearing. At least 10 days prior to  
23 the adoption of the ordinance or resolution establishing the  
24 time and place for the public hearing, the municipality shall  
25 make available for public inspection a redevelopment plan or  
26 a separate report that provides in reasonable detail the  
27 basis for the eligibility of the redevelopment project area.  
28 The report along with the name of a person to contact for  
29 further information shall be sent within a reasonable time  
30 after the adoption of such ordinance or resolution to the  
31 affected taxing districts by certified mail. On and after the  
32 effective date of this amendatory Act of the 91st General  
33 Assembly, the municipality shall print in a newspaper of  
34 general circulation within the municipality a notice that

1 interested persons may register with the municipality in  
2 order to receive information on the proposed designation of a  
3 redevelopment project area or the approval of a redevelopment  
4 plan. The notice shall state the place of registration and  
5 the operating hours of that place. The municipality shall  
6 have adopted reasonable rules to implement this registration  
7 process under Section 11-74.4-4.2. Notice of the  
8 availability of the redevelopment plan and eligibility  
9 report, including how to obtain this information, shall also  
10 be sent by mail within a reasonable time after the adoption  
11 of the ordinance or resolution to all residents within the  
12 ~~postal--zip--code-area-or-areas-contained-in-whole-or-in-part~~  
13 ~~within--the~~ proposed redevelopment project area and or  
14 organizations that operate in the municipality that have  
15 registered with the municipality for that information in  
16 accordance with the registration guidelines established by  
17 the municipality under Section 11-74.4-4.2.

18 At the public hearing any interested person or affected  
19 taxing district may file with the municipal clerk written  
20 objections to and may be heard orally in respect to any  
21 issues embodied in the notice. The municipality shall hear  
22 and determine all protests and objections at the hearing and  
23 the hearing may be adjourned to another date without further  
24 notice other than a motion to be entered upon the minutes  
25 fixing the time and place of the subsequent hearing.  
26 "Determine", as related to the hearing, means the  
27 municipality shall consider all protests and objections and  
28 shall, by virtue of its final adoption or lack of adoption of  
29 an ordinance provided for herein, have reached conclusions  
30 that are determinate prima facie. At the public hearing or  
31 at any time prior to the adoption by the municipality of an  
32 ordinance approving a redevelopment plan, the municipality  
33 may make changes in the redevelopment plan. Changes which  
34 (1) add additional parcels of property to the proposed

1 redevelopment project area, (2) substantially affect the  
2 general land uses proposed in the redevelopment plan, (3)  
3 substantially change the nature of or extend the life of the  
4 redevelopment project, or (4) increase the number of low or  
5 very low income households to be displaced from the  
6 redevelopment project area, provided that measured from the  
7 time of creation of the redevelopment project area the total  
8 displacement of the households will exceed 10, shall be made  
9 only after the municipality gives notice, convenes a joint  
10 review board, and conducts a public hearing pursuant to the  
11 procedures set forth in this Section and in Section 11-74.4-6  
12 of this Act. Changes which do not (1) add additional parcels  
13 of property to the proposed redevelopment project area, (2)  
14 substantially affect the general land uses proposed in the  
15 redevelopment plan, (3) substantially change the nature of or  
16 extend the life of the redevelopment project, or (4) increase  
17 the number of low or very low income households to be  
18 displaced from the redevelopment project area, provided that  
19 measured from the time of creation of the redevelopment  
20 project area the total displacement of the households will  
21 exceed 10, may be made without further hearing, provided that  
22 the municipality shall give notice of any such changes by  
23 mail to each affected taxing district and registrant on the  
24 interested parties registry, provided for under Section  
25 11-74.4-4.2, and by publication in a newspaper of general  
26 circulation within the affected taxing district. Such notice  
27 by mail and by publication shall each occur not later than 10  
28 days following the adoption by ordinance of such changes.  
29 Hearings with regard to a redevelopment project area, project  
30 or plan may be held simultaneously.

31 (b) Prior to holding a public hearing to approve or  
32 amend a redevelopment plan or to designate or add additional  
33 parcels of property to a redevelopment project area, the  
34 municipality shall convene a joint review board. The board

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

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



1 member, then the joint review board is relieved of this  
2 paragraph's selection requirements for the public member.

3 Within 90 days of the effective date of this amendatory  
4 Act of the 91st General Assembly, each municipality that  
5 designated a redevelopment project area for which it was not  
6 required to convene a joint review board under this Section  
7 shall convene a joint review board to perform the duties  
8 specified under paragraph (e) of this Section.

9 All board members shall be appointed and the first board  
10 meeting held following at least 14 days but not more than 20  
11 days after notice by the municipality to all the taxing  
12 districts as required by Section 11-74.4-6(c).  
13 Notwithstanding the preceding sentence, a municipality that  
14 adopted either a public hearing resolution or a feasibility  
15 resolution between July 1, 1999 and July 1, 2000 that called  
16 for the meeting of the joint review board within 14 days of  
17 notice of public hearing to affected taxing districts is  
18 deemed to be in compliance with the notice, meeting, and  
19 public hearing provisions of the Act. Such notice shall also  
20 advise the taxing bodies represented on the joint review  
21 board of the time and place of the first meeting of the  
22 board. Additional meetings of the board shall be held upon  
23 the call of any member. The municipality seeking designation  
24 of the redevelopment project area shall provide  
25 administrative support to the board.

26 The board shall review (i) the public record, planning  
27 documents and proposed ordinances approving the redevelopment  
28 plan and project and (ii) proposed amendments to the  
29 redevelopment plan or additions of parcels of property to the  
30 redevelopment project area to be adopted by the municipality.  
31 As part of its deliberations, the board may hold additional  
32 hearings on the proposal. A board's recommendation shall be  
33 an advisory, non-binding recommendation. The recommendation  
34 shall be adopted by a majority of those members present and

1 voting. The recommendations shall be submitted to the  
2 municipality within 30 days after convening of the board.  
3 Failure of the board to submit its report on a timely basis  
4 shall not be cause to delay the public hearing or any other  
5 step in the process of designating or amending the  
6 redevelopment project area but shall be deemed to constitute  
7 approval by the joint review board of the matters before it.

8 The board shall base its recommendation to approve or  
9 disapprove the redevelopment plan and the designation of the  
10 redevelopment project area or the amendment of the  
11 redevelopment plan or addition of parcels of property to the  
12 redevelopment project area on the basis of the redevelopment  
13 project area and redevelopment plan satisfying the plan  
14 requirements, the eligibility criteria defined in Section  
15 11-74.4-3, and the objectives of this Act.

16 The board shall issue a written report describing why the  
17 redevelopment plan and project area or the amendment thereof  
18 meets or fails to meet one or more of the objectives of this  
19 Act and both the plan requirements and the eligibility  
20 criteria defined in Section 11-74.4-3. In the event the Board  
21 does not file a report it shall be presumed that these taxing  
22 bodies find the redevelopment project area and redevelopment  
23 plan satisfy the objectives of this Act and the plan  
24 requirements and eligibility criteria.

25 If the board recommends rejection of the matters before  
26 it, the municipality will have 30 days within which to  
27 resubmit the plan or amendment. During this period, the  
28 municipality will meet and confer with the board and attempt  
29 to resolve those issues set forth in the board's written  
30 report that led lead to the rejection of the plan or  
31 amendment.

32 Notwithstanding the resubmission set forth above, the  
33 municipality may commence the scheduled public hearing and  
34 either adjourn the public hearing or continue the public

1 hearing until a date certain. Any amendments to the  
2 redevelopment plan shall be the subject of a public hearing  
3 before the hearing is adjourned if so determined by the  
4 municipality. No amendments to the redevelopment plan  
5 pursuant to this Section shall require any further notice or  
6 convening of a joint review board meeting.

7 In the event that the municipality and the board are  
8 unable to resolve these differences, or in the event that the  
9 resubmitted plan or amendment is rejected by the board, the  
10 municipality may proceed with the plan or amendment, but only  
11 upon a three-fifths vote of the corporate authority  
12 responsible for approval of the plan or amendment, excluding  
13 positions of members that are vacant and those members that  
14 are ineligible to vote because of conflicts of interest.

15 (c) After a municipality has by ordinance approved a  
16 redevelopment plan and designated a redevelopment project  
17 area, the plan may be amended and additional properties may  
18 be added to the redevelopment project area only as herein  
19 provided. Amendments which (1) add additional parcels of  
20 property to the proposed redevelopment project area, (2)  
21 substantially affect the general land uses proposed in the  
22 redevelopment plan, (3) substantially change the nature of  
23 the redevelopment project, (4) increase the total estimated  
24 redevelopment project costs set out in the redevelopment plan  
25 by more than 5% after adjustment for inflation from the date  
26 the plan was adopted, (5) add additional redevelopment  
27 project costs to the itemized list of redevelopment project  
28 costs set out in the redevelopment plan, or (6) increase the  
29 number of low or very low income households to be displaced  
30 from the redevelopment project area, provided that measured  
31 from the time of creation of the redevelopment project area  
32 the total displacement of the households will exceed 10,  
33 shall be made only after the municipality gives notice,  
34 convenes a joint review board, and conducts a public hearing

1 pursuant to the procedures set forth in this Section and in  
2 Section 11-74.4-6 of this Act. Changes which do not (1) add  
3 additional parcels of property to the proposed redevelopment  
4 project area, (2) substantially affect the general land uses  
5 proposed in the redevelopment plan, (3) substantially change  
6 the nature of the redevelopment project, (4) increase the  
7 total estimated redevelopment project cost set out in the  
8 redevelopment plan by more than 5% after adjustment for  
9 inflation from the date the plan was adopted, (5) add  
10 additional redevelopment project costs to the itemized list  
11 of redevelopment project costs set out in the redevelopment  
12 plan, or (6) increase the number of low or very low income  
13 households to be displaced from the redevelopment project  
14 area, provided that measured from the time of creation of the  
15 redevelopment project area the total displacement of the  
16 households will exceed 10, may be made without further  
17 hearing, provided that the municipality shall give notice of  
18 any such changes by mail to each affected taxing district and  
19 registrant on the interested parties registry, provided for  
20 under Section 11-74.4-4.2, and by publication in a newspaper  
21 of general circulation within the affected taxing district.  
22 Such notice by mail and by publication shall each occur not  
23 later than 10 days following the adoption by ordinance of  
24 such changes.

25 (d) After the effective date of this amendatory Act of  
26 the 91st General Assembly, a municipality shall submit the  
27 following information for each redevelopment project area (i)  
28 to the State Comptroller under Section 8-8-3.5 of the  
29 Illinois Municipal Code and (ii) to all taxing districts  
30 overlapping the redevelopment project area no later than 180  
31 days after the close of each municipal fiscal year or as soon  
32 thereafter as the audited financial statements become  
33 available and, in any case, shall be submitted before the  
34 annual meeting of the Joint Review Board to each of the

1 taxing districts that overlap the redevelopment project area:

2 (1) Any amendments to the redevelopment plan, the  
3 redevelopment project area, or the State Sales Tax  
4 Boundary.

5 (1.5) A list of the redevelopment project areas  
6 administered by the municipality and, if applicable, the  
7 date each redevelopment project area was designated or  
8 terminated by the municipality.

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

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

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

18 (5) An analysis of the special tax allocation fund  
19 which sets forth:

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

22 (B) all amounts deposited in the special tax  
23 allocation fund by source;

24 (C) an itemized list of all expenditures from  
25 the special tax allocation fund by category of  
26 permissible redevelopment project cost; and

27 (D) the balance in the special tax allocation  
28 fund at the end of the fiscal year including a  
29 breakdown of that balance by source and a breakdown  
30 of that balance identifying any portion of the  
31 balance that is required, pledged, earmarked, or  
32 otherwise designated for payment of or securing of  
33 obligations and anticipated redevelopment project  
34 costs. Any portion of such ending balance that has

1 not been identified or is not identified as being  
2 required, pledged, earmarked, or otherwise  
3 designated for payment of or securing of obligations  
4 or anticipated redevelopment projects costs shall be  
5 designated as surplus as set forth in Section  
6 11-74.4-7 hereof.

7 (6) A description of all property purchased by the  
8 municipality within the redevelopment project area  
9 including:

10 (A) Street address.

11 (B) Approximate size or description of  
12 property.

13 (C) Purchase price.

14 (D) Seller of property.

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

18 (A) Any project implemented in the preceding  
19 fiscal year.

20 (B) A description of the redevelopment  
21 activities undertaken.

22 (C) A description of any agreements entered  
23 into by the municipality with regard to the  
24 disposition or redevelopment of any property within  
25 the redevelopment project area or the area within  
26 the State Sales Tax Boundary.

27 (D) Additional information on the use of all  
28 funds received under this Division and steps taken  
29 by the municipality to achieve the objectives of the  
30 redevelopment plan.

31 (E) Information regarding contracts that the  
32 municipality's tax increment advisors or consultants  
33 have entered into with entities or persons that have  
34 received, or are receiving, payments financed by tax

1 increment revenues produced by the same  
2 redevelopment project area.

3 (F) Any reports submitted to the municipality  
4 by the joint review board.

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

17 (8) With regard to any obligations issued by the  
18 municipality:

19 (A) copies of any official statements; and

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

24 (9) For special tax allocation funds that have  
25 experienced cumulative deposits of incremental tax  
26 revenues of \$100,000 or more, a certified audit report  
27 reviewing compliance with this Act performed by an  
28 independent public accountant certified and licensed by  
29 the authority of the State of Illinois. The financial  
30 portion of the audit must be conducted in accordance with  
31 Standards for Audits of Governmental Organizations,  
32 Programs, Activities, and Functions adopted by the  
33 Comptroller General of the United States (1981), as  
34 amended, or the standards specified by Section 8-8-5 of

1 the Illinois Municipal Auditing Law of the Illinois  
2 Municipal Code. The audit report shall contain a letter  
3 from the independent certified public accountant  
4 indicating compliance or noncompliance with the  
5 requirements of subsection (q) of Section 11-74.4-3. For  
6 redevelopment plans or projects that would result in the  
7 displacement of residents from 10 or more inhabited  
8 residential units or that contain 75 or more inhabited  
9 residential units, notice of the availability of the  
10 information, including how to obtain the report, required  
11 in this subsection shall also be sent by mail to all  
12 residents or organizations that operate in the  
13 municipality that register with the municipality for that  
14 information according to registration procedures adopted  
15 under Section 11-74.4-4.2. All municipalities are  
16 subject to this provision.

17 (d-1) Prior to the effective date of this amendatory Act  
18 of the 91st General Assembly, municipalities with populations  
19 of over 1,000,000 shall, after adoption of a redevelopment  
20 plan or project, make available upon request to any taxing  
21 district in which the redevelopment project area is located  
22 the following information:

23 (1) Any amendments to the redevelopment plan, the  
24 redevelopment project area, or the State Sales Tax  
25 Boundary; and

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

31 (e) The joint review board shall meet annually 180 days  
32 after the close of the municipal fiscal year or as soon as  
33 the redevelopment project audit for that fiscal year becomes  
34 available to review the effectiveness and status of the



1 redevelopment project area up to that date.

2 (f) (Blank).

3 (g) In the event that a municipality has held a public  
4 hearing under this Section prior to March 14, 1994 (the  
5 effective date of Public Act 88-537), the requirements  
6 imposed by Public Act 88-537 relating to the method of fixing  
7 the time and place for public hearing, the materials and  
8 information required to be made available for public  
9 inspection, and the information required to be sent after  
10 adoption of an ordinance or resolution fixing a time and  
11 place for public hearing shall not be applicable.

12 (Source: P.A. 91-357, eff. 7-29-99; 91-478, eff. 11-1-99;  
13 91-900, eff. 7-6-00.)

14 (65 ILCS 5/11-74.4-7) (from Ch. 24, par. 11-74.4-7)

15 Sec. 11-74.4-7. Obligations secured by the special tax  
16 allocation fund set forth in Section 11-74.4-8 for the  
17 redevelopment project area may be issued to provide for  
18 redevelopment project costs. Such obligations, when so  
19 issued, shall be retired in the manner provided in the  
20 ordinance authorizing the issuance of such obligations by the  
21 receipts of taxes levied as specified in Section 11-74.4-9  
22 against the taxable property included in the area, by  
23 revenues as specified by Section 11-74.4-8a and other revenue  
24 designated by the municipality. A municipality may in the  
25 ordinance pledge all or any part of the funds in and to be  
26 deposited in the special tax allocation fund created pursuant  
27 to Section 11-74.4-8 to the payment of the redevelopment  
28 project costs and obligations. Any pledge of funds in the  
29 special tax allocation fund shall provide for distribution to  
30 the taxing districts and to the Illinois Department of  
31 Revenue of moneys not required, pledged, earmarked, or  
32 otherwise designated for payment and securing of the  
33 obligations and anticipated redevelopment project costs and

1 such excess funds shall be calculated annually and deemed to  
2 be "surplus" funds. In the event a municipality only applies  
3 or pledges a portion of the funds in the special tax  
4 allocation fund for the payment or securing of anticipated  
5 redevelopment project costs or of obligations, any such funds  
6 remaining in the special tax allocation fund after complying  
7 with the requirements of the application or pledge, shall  
8 also be calculated annually and deemed "surplus" funds. All  
9 surplus funds in the special tax allocation fund shall be  
10 distributed annually within 180 days after the close of the  
11 municipality's fiscal year by being paid by the municipal  
12 treasurer to the County Collector, to the Department of  
13 Revenue and to the municipality in direct proportion to the  
14 tax incremental revenue received as a result of an increase  
15 in the equalized assessed value of property in the  
16 redevelopment project area, tax incremental revenue received  
17 from the State and tax incremental revenue received from the  
18 municipality, but not to exceed as to each such source the  
19 total incremental revenue received from that source. The  
20 County Collector shall thereafter make distribution to the  
21 respective taxing districts in the same manner and proportion  
22 as the most recent distribution by the county collector to  
23 the affected districts of real property taxes from real  
24 property in the redevelopment project area.

25 Without limiting the foregoing in this Section, the  
26 municipality may in addition to obligations secured by the  
27 special tax allocation fund pledge for a period not greater  
28 than the term of the obligations towards payment of such  
29 obligations any part or any combination of the following: (a)  
30 net revenues of all or part of any redevelopment project; (b)  
31 taxes levied and collected on any or all property in the  
32 municipality; (c) the full faith and credit of the  
33 municipality; (d) a mortgage on part or all of the  
34 redevelopment project; or (e) any other taxes or anticipated

1 receipts that the municipality may lawfully pledge.

2 Such obligations may be issued in one or more series  
3 bearing interest at such rate or rates as the corporate  
4 authorities of the municipality shall determine by ordinance.  
5 Such obligations shall bear such date or dates, mature at  
6 such time or times not exceeding 20 years from their  
7 respective dates, be in such denomination, carry such  
8 registration privileges, be executed in such manner, be  
9 payable in such medium of payment at such place or places,  
10 contain such covenants, terms and conditions, and be subject  
11 to redemption as such ordinance shall provide. Obligations  
12 issued pursuant to this Act may be sold at public or private  
13 sale at such price as shall be determined by the corporate  
14 authorities of the municipalities. No referendum approval of  
15 the electors shall be required as a condition to the issuance  
16 of obligations pursuant to this Division except as provided  
17 in this Section.

18 In the event the municipality authorizes issuance of  
19 obligations pursuant to the authority of this Division  
20 secured by the full faith and credit of the municipality,  
21 which obligations are other than obligations which may be  
22 issued under home rule powers provided by Article VII,  
23 Section 6 of the Illinois Constitution, or pledges taxes  
24 pursuant to (b) or (c) of the second paragraph of this  
25 section, the ordinance authorizing the issuance of such  
26 obligations or pledging such taxes shall be published within  
27 10 days after such ordinance has been passed in one or more  
28 newspapers, with general circulation within such  
29 municipality. The publication of the ordinance shall be  
30 accompanied by a notice of (1) the specific number of voters  
31 required to sign a petition requesting the question of the  
32 issuance of such obligations or pledging taxes to be  
33 submitted to the electors; (2) the time in which such  
34 petition must be filed; and (3) the date of the prospective

1 referendum. The municipal clerk shall provide a petition  
2 form to any individual requesting one.

3 If no petition is filed with the municipal clerk, as  
4 hereinafter provided in this Section, within 30 days after  
5 the publication of the ordinance, the ordinance shall be in  
6 effect. But, if within that 30 day period a petition is  
7 filed with the municipal clerk, signed by electors in the  
8 municipality numbering 10% or more of the number of  
9 registered voters in the municipality, asking that the  
10 question of issuing obligations using full faith and credit  
11 of the municipality as security for the cost of paying for  
12 redevelopment project costs, or of pledging taxes for the  
13 payment of such obligations, or both, be submitted to the  
14 electors of the municipality, the corporate authorities of  
15 the municipality shall call a special election in the manner  
16 provided by law to vote upon that question, or, if a general,  
17 State or municipal election is to be held within a period of  
18 not less than 30 or more than 90 days from the date such  
19 petition is filed, shall submit the question at the next  
20 general, State or municipal election. If it appears upon the  
21 canvass of the election by the corporate authorities that a  
22 majority of electors voting upon the question voted in favor  
23 thereof, the ordinance shall be in effect, but if a majority  
24 of the electors voting upon the question are not in favor  
25 thereof, the ordinance shall not take effect.

26 The ordinance authorizing the obligations may provide  
27 that the obligations shall contain a recital that they are  
28 issued pursuant to this Division, which recital shall be  
29 conclusive evidence of their validity and of the regularity  
30 of their issuance.

31 In the event the municipality authorizes issuance of  
32 obligations pursuant to this Section secured by the full  
33 faith and credit of the municipality, the ordinance  
34 authorizing the obligations may provide for the levy and

1 collection of a direct annual tax upon all taxable property  
2 within the municipality sufficient to pay the principal  
3 thereof and interest thereon as it matures, which levy may be  
4 in addition to and exclusive of the maximum of all other  
5 taxes authorized to be levied by the municipality, which  
6 levy, however, shall be abated to the extent that monies from  
7 other sources are available for payment of the obligations  
8 and the municipality certifies the amount of said monies  
9 available to the county clerk.

10 A certified copy of such ordinance shall be filed with  
11 the county clerk of each county in which any portion of the  
12 municipality is situated, and shall constitute the authority  
13 for the extension and collection of the taxes to be deposited  
14 in the special tax allocation fund.

15 A municipality may also issue its obligations to refund  
16 in whole or in part, obligations theretofore issued by such  
17 municipality under the authority of this Act, whether at or  
18 prior to maturity, provided however, that the last maturity  
19 of the refunding obligations shall not be expressed to mature  
20 later than December 31 of the year in which the payment to  
21 the municipal treasurer as provided in subsection (b) of  
22 Section 11-74.4-8 of this Act is to be made with respect to  
23 ad valorem taxes levied in the twenty-third calendar year  
24 after the year in which the ordinance approving the  
25 redevelopment project area is adopted if the ordinance was  
26 adopted on or after January 15, 1981, and not later than  
27 December 31 of the year in which the payment to the municipal  
28 treasurer as provided in subsection (b) of Section 11-74.4-8  
29 of this Act is to be made with respect to ad valorem taxes  
30 levied in the thirty-fifth calendar year after the year in  
31 which the ordinance approving the redevelopment project area  
32 is adopted (A) if the ordinance was adopted before January  
33 15, 1981, or (B) if the ordinance was adopted in December  
34 1983, April 1984, July 1985, or December 1989, or (C) if the

1 ordinance was adopted in December, 1987 and the redevelopment  
2 project is located within one mile of Midway Airport, or (D)  
3 if the ordinance was adopted before January 1, 1987 by a  
4 municipality in Mason County, or (E) if the municipality is  
5 subject to the Local Government Financial Planning and  
6 Supervision Act or the Financially Distressed City Law, or  
7 (F) if the ordinance was adopted in December 1984 by the  
8 Village of Rosemont, or (G) if the ordinance was adopted on  
9 December 31, 1986 by a municipality located in Clinton County  
10 for which at least \$250,000 of tax increment bonds were  
11 authorized on June 17, 1997, or if the ordinance was adopted  
12 on December 31, 1986 by a municipality with a population in  
13 1990 of less than 3,600 that is located in a county with a  
14 population in 1990 of less than 34,000 and for which at least  
15 \$250,000 of tax increment bonds were authorized on June 17,  
16 1997, or (H) if the ordinance was adopted on October 5, 1982  
17 by the City of Kankakee, or (I) if the ordinance was adopted  
18 on December 29, 1986 by East St. Louis, or if the ordinance  
19 was adopted on November 12, 1991 by the Village of Sauget, or  
20 (J) if the ordinance was adopted on February 11, 1985 by the  
21 City of Rock Island, or (K) if the ordinance was adopted  
22 before December 18, 1986 by the City of Moline and, for  
23 redevelopment project areas for which bonds were issued  
24 before July 29, 1991, in connection with a redevelopment  
25 project in the area within the State Sales Tax Boundary and  
26 which were extended by municipal ordinance under subsection  
27 (n) of Section 11-74.4-3, the last maturity of the refunding  
28 obligations shall not be expressed to mature later than the  
29 date on which the redevelopment project area is terminated or  
30 December 31, 2013, whichever date occurs first.

31 In the event a municipality issues obligations under home  
32 rule powers or other legislative authority the proceeds of  
33 which are pledged to pay for redevelopment project costs, the  
34 municipality may, if it has followed the procedures in

1 conformance with this division, retire said obligations from  
2 funds in the special tax allocation fund in amounts and in  
3 such manner as if such obligations had been issued pursuant  
4 to the provisions of this division.

5 All obligations heretofore or hereafter issued pursuant  
6 to this Act shall not be regarded as indebtedness of the  
7 municipality issuing such obligations or any other taxing  
8 district for the purpose of any limitation imposed by law.

9 (Source: P.A. 90-379, eff. 8-14-97; 91-261, eff. 7-23-99;  
10 91-477, eff. 8-11-99; 91-478, eff. 11-1-99; 91-642, eff.  
11 8-20-99; 91-763, eff. 6-9-00.)