

AN ACT concerning local government.

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

Section 5. The County Economic Development Project Area Property Tax Allocation Act is amended by adding Sections 12 and 13 as follows:

(55 ILCS 85/12 new)

Sec. 12. Status report; hearing. No later than 10 years after the corporate authorities of a county adopt an ordinance to establish an economic development project area, the county must compile a status report concerning the economic development project area. The status report must detail without limitation the following: (i) the amount of revenue generated within the economic development project area, (ii) any expenditures made by the county for the economic development project area including without limitation expenditures from the special tax allocation fund, (iii) the status of planned activities, goals, and objectives set forth in the economic development plan including details on new or planned construction within the economic development project area, (iv) the amount of private and public investment within the economic development project area, and (v) any other relevant evaluation or performance data. Within 30 days after the county

compiles the status report, the county must hold at least one public hearing concerning the report. The county must provide 20 days' public notice of the hearing.

(55 ILCS 85/13 new)

Sec. 13. Requirements for annual budget. Beginning in fiscal year 2011 and in each fiscal year thereafter, a county must detail in its annual budget (i) the amount of revenue generated from economic development project areas by source and (ii) the expenditures made by the county for economic development project areas.

Section 10. The County Economic Development Project Area Tax Increment Allocation Act of 1991 is amended by adding Section 74 as follows:

(55 ILCS 90/74 new)

Sec. 74. Requirements for annual budget. Beginning in fiscal year 2011 and in each fiscal year thereafter, a county must detail in its annual budget (i) the amount of revenue generated from economic development project areas by source and (ii) the expenditures made by the county for economic development project areas.

Section 15. The Illinois Municipal Code is amended by changing Section 11-74.4-5 as follows:

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

Sec. 11-74.4-5. Public hearing; joint review board.

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

Prior to the adoption of an ordinance proposing the designation of a redevelopment project area, or approving a redevelopment plan or redevelopment project, the municipality by its corporate authorities, or as it may determine by any

commission designated under subsection (k) of Section 11-74.4-4 shall adopt an ordinance or resolution fixing a time and place for public hearing. At least 10 days prior to the adoption of the ordinance or resolution establishing the time and place for the public hearing, the municipality shall make available for public inspection a redevelopment plan or a separate report that provides in reasonable detail the basis for the eligibility of the redevelopment project area. The report along with the name of a person to contact for further information shall be sent within a reasonable time after the adoption of such ordinance or resolution to the affected taxing districts by certified mail. On and after the effective date of this amendatory Act of the 91st General Assembly, the municipality shall print in a newspaper of general circulation within the municipality a notice that interested persons may register with the municipality in order to receive information on the proposed designation of a redevelopment project area or the approval of a redevelopment plan. The notice shall state the place of registration and the operating hours of that place. The municipality shall have adopted reasonable rules to implement this registration process under Section 11-74.4-4.2. The municipality shall provide notice of the availability of the redevelopment plan and eligibility report, including how to obtain this information, by mail within a reasonable time after the adoption of the ordinance or resolution, to all residential addresses that, after a good faith effort, the municipality

determines are located outside the proposed redevelopment project area and within 750 feet of the boundaries of the proposed redevelopment project area. This requirement is subject to the limitation that in a municipality with a population of over 100,000, if the total number of residential addresses outside the proposed redevelopment project area and within 750 feet of the boundaries of the proposed redevelopment project area exceeds 750, the municipality shall be required to provide the notice to only the 750 residential addresses that, after a good faith effort, the municipality determines are outside the proposed redevelopment project area and closest to the boundaries of the proposed redevelopment project area. Notwithstanding the foregoing, notice given after August 7, 2001 (the effective date of Public Act 92-263) and before the effective date of this amendatory Act of the 92nd General Assembly to residential addresses within 750 feet of the boundaries of a proposed redevelopment project area shall be deemed to have been sufficiently given in compliance with this Act if given only to residents outside the boundaries of the proposed redevelopment project area. The notice shall also be provided by the municipality, regardless of its population, to those organizations and residents that have registered with the municipality for that information in accordance with the registration guidelines established by the municipality under Section 11-74.4-4.2.

At the public hearing any interested person or affected

taxing district may file with the municipal clerk written objections to and may be heard orally in respect to any issues embodied in the notice. The municipality shall hear all protests and objections at the hearing and the hearing may be adjourned to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the subsequent hearing. At the public hearing or at any time prior to the adoption by the municipality of an ordinance approving a redevelopment plan, the municipality may make changes in the redevelopment plan. Changes which (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of or extend the life of the redevelopment project, or (4) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, shall be made only after the municipality gives notice, convenes a joint review board, and conducts a public hearing pursuant to the procedures set forth in this Section and in Section 11-74.4-6 of this Act. Changes which do not (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of or extend the life of the redevelopment project, or (4) increase the number of inhabited

residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, may be made without further hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested parties registry, provided for under Section 11-74.4-4.2, and by publication in a newspaper of general circulation within the affected taxing district. Such notice by mail and by publication shall each occur not later than 10 days following the adoption by ordinance of such changes. Hearings with regard to a redevelopment project area, project or plan may be held simultaneously.

(b) Prior to holding a public hearing to approve or amend a redevelopment plan or to designate or add additional parcels of property to a redevelopment project area, the municipality shall convene a joint review board. The board shall consist of a representative selected by each community college district, local elementary school district and high school district or each local community unit school district, park district, library district, township, fire protection district, and county that will have the authority to directly levy taxes on the property within the proposed redevelopment project area at the time that the proposed redevelopment project area is approved, a representative selected by the municipality and a public member. The public member shall first be selected and

then the board's chairperson shall be selected by a majority of the board members present and voting.

For redevelopment project areas with redevelopment plans or proposed redevelopment plans that would result in the displacement of residents from 10 or more inhabited residential units or that include 75 or more inhabited residential units, the public member shall be a person who resides in the redevelopment project area. If, as determined by the housing impact study provided for in paragraph (5) of subsection (n) of Section 11-74.4-3, or if no housing impact study is required then based on other reasonable data, the majority of residential units are occupied by very low, low, or moderate income households, as defined in Section 3 of the Illinois Affordable Housing Act, the public member shall be a person who resides in very low, low, or moderate income housing within the redevelopment project area. Municipalities with fewer than 15,000 residents shall not be required to select a person who lives in very low, low, or moderate income housing within the redevelopment project area, provided that the redevelopment plan or project will not result in displacement of residents from 10 or more inhabited units, and the municipality so certifies in the plan. If no person satisfying these requirements is available or if no qualified person will serve as the public member, then the joint review board is relieved of this paragraph's selection requirements for the public member.



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

All board members shall be appointed and the first board meeting shall be held at least 14 days but not more than 28 days after the mailing of notice by the municipality to the taxing districts as required by Section 11-74.4-6(c). Notwithstanding the preceding sentence, a municipality that adopted either a public hearing resolution or a feasibility resolution between July 1, 1999 and July 1, 2000 that called for the meeting of the joint review board within 14 days of notice of public hearing to affected taxing districts is deemed to be in compliance with the notice, meeting, and public hearing provisions of the Act. Such notice shall also advise the taxing bodies represented on the joint review board of the time and place of the first meeting of the board. Additional meetings of the board shall be held upon the call of any member. The municipality seeking designation of the redevelopment project area shall provide administrative support to the board.

The board shall review (i) the public record, planning documents and proposed ordinances approving the redevelopment plan and project and (ii) proposed amendments to the

redevelopment plan or additions of parcels of property to the redevelopment project area to be adopted by the municipality. As part of its deliberations, the board may hold additional hearings on the proposal. A board's recommendation shall be an advisory, non-binding recommendation. The recommendation shall be adopted by a majority of those members present and voting. The recommendations shall be submitted to the municipality within 30 days after convening of the board. Failure of the board to submit its report on a timely basis shall not be cause to delay the public hearing or any other step in the process of designating or amending the redevelopment project area but shall be deemed to constitute approval by the joint review board of the matters before it.

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

The board shall issue a written report describing why the redevelopment plan and project area or the amendment thereof meets or fails to meet one or more of the objectives of this Act and both the plan requirements and the eligibility criteria defined in Section 11-74.4-3. In the event the Board does not

file a report it shall be presumed that these taxing bodies find the redevelopment project area and redevelopment plan satisfy the objectives of this Act and the plan requirements and eligibility criteria.

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

Notwithstanding the resubmission set forth above, the municipality may commence the scheduled public hearing and either adjourn the public hearing or continue the public hearing until a date certain. Prior to continuing any public hearing to a date certain, the municipality shall announce during the public hearing the time, date, and location for the reconvening of the public hearing. Any changes to the redevelopment plan necessary to satisfy the issues set forth in the joint review board report shall be the subject of a public hearing before the hearing is adjourned if the changes would (1) substantially affect the general land uses proposed in the redevelopment plan, (2) substantially change the nature of or extend the life of the redevelopment project, or (3) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more

than 10. Changes to the redevelopment plan necessary to satisfy the issues set forth in the joint review board report shall not require any further notice or convening of a joint review board meeting, except that any changes to the redevelopment plan that would add additional parcels of property to the proposed redevelopment project area shall be subject to the notice, public hearing, and joint review board meeting requirements established for such changes by subsection (a) of Section 11-74.4-5.

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

(c) After a municipality has by ordinance approved a redevelopment plan and designated a redevelopment project area, the plan may be amended and additional properties may be added to the redevelopment project area only as herein provided. Amendments which (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of the redevelopment project, (4) increase the total estimated

redevelopment project costs set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted, (5) add additional redevelopment project costs to the itemized list of redevelopment project costs set out in the redevelopment plan, or (6) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, shall be made only after the municipality gives notice, convenes a joint review board, and conducts a public hearing pursuant to the procedures set forth in this Section and in Section 11-74.4-6 of this Act. Changes which do not (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of the redevelopment project, (4) increase the total estimated redevelopment project cost set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted, (5) add additional redevelopment project costs to the itemized list of redevelopment project costs set out in the redevelopment plan, or (6) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, may be made without further public hearing and related notices and procedures including the

convening of a joint review board as set forth in Section 11-74.4-6 of this Act, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested parties registry, provided for under Section 11-74.4-4.2, and by publication in a newspaper of general circulation within the affected taxing district. Such notice by mail and by publication shall each occur not later than 10 days following the adoption by ordinance of such changes.

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

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

(1.5) A list of the redevelopment project areas administered by the municipality and, if applicable, the date each redevelopment project area was designated or

terminated by the municipality.

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

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

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

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

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

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

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

(D) the balance in the special tax allocation fund at the end of the fiscal year including a breakdown of that balance by source and a breakdown of that balance identifying any portion of the balance that is required, pledged, earmarked, or otherwise designated for payment of or securing of obligations and anticipated redevelopment project costs. Any portion

of such ending balance that has not been identified or is not identified as being required, pledged, earmarked, or otherwise designated for payment of or securing of obligations or anticipated redevelopment projects costs shall be designated as surplus as set forth in Section 11-74.4-7 hereof.

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

- (A) Street address.
- (B) Approximate size or description of property.
- (C) Purchase price.
- (D) Seller of property.

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

- (A) Any project implemented in the preceding fiscal year.
- (B) A description of the redevelopment activities undertaken.
- (C) A description of any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary.
- (D) Additional information on the use of all funds



received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan.

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

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

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

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

(A) copies of any official statements; and

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

(9) For special tax allocation funds that have experienced cumulative deposits of incremental tax revenues of \$100,000 or more, a certified audit report reviewing compliance with this Act performed by an independent public accountant certified and licensed by the authority of the State of Illinois. The financial portion of the audit must be conducted in accordance with Standards for Audits of Governmental Organizations, Programs, Activities, and Functions adopted by the Comptroller General of the United States (1981), as amended, or the standards specified by Section 8-8-5 of the Illinois Municipal Auditing Law of the Illinois Municipal Code. The audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3. For redevelopment plans or projects that would result in the displacement of residents from 10 or more inhabited residential units or that contain 75 or more inhabited residential units, notice of the availability of the information, including how to obtain the report, required in this subsection shall also be sent by mail to all residents or organizations that

operate in the municipality that register with the municipality for that information according to registration procedures adopted under Section 11-74.4-4.2. All municipalities are subject to this provision.

(10) A list of all intergovernmental agreements in effect during the fiscal year to which the municipality is a party and an accounting of any moneys transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements.

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

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

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

(e) The joint review board shall meet annually 180 days after the close of the municipal fiscal year or as soon as the redevelopment project audit for that fiscal year becomes

available to review the effectiveness and status of the redevelopment project area up to that date.

(f) (Blank).

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

(h) On and after the effective date of this amendatory Act of the 96th General Assembly, the State Comptroller must post on the State Comptroller's official website the information submitted by a municipality pursuant to subsection (d) of this Section. The information must be posted no later than 45 days after the State Comptroller receives the information from the municipality. The State Comptroller must also post a list of the municipalities not in compliance with the reporting requirements set forth in subsection (d) of this Section.

(i) No later than 10 years after the corporate authorities of a municipality adopt an ordinance to establish a redevelopment project area, the municipality must compile a status report concerning the redevelopment project area. The status report must detail without limitation the following: (i)

the amount of revenue generated within the redevelopment project area, (ii) any expenditures made by the municipality for the redevelopment project area including without limitation expenditures from the special tax allocation fund, (iii) the status of planned activities, goals, and objectives set forth in the redevelopment plan including details on new or planned construction within the redevelopment project area, (iv) the amount of private and public investment within the redevelopment project area, and (v) any other relevant evaluation or performance data. Within 30 days after the municipality compiles the status report, the municipality must hold at least one public hearing concerning the report. The municipality must provide 20 days' public notice of the hearing.

(j) Beginning in fiscal year 2011 and in each fiscal year thereafter, a municipality must detail in its annual budget (i) the revenues generated from redevelopment project areas by source and (ii) the expenditures made by the municipality for redevelopment project areas.

(Source: P.A. 91-357, eff. 7-29-99; 91-478, eff. 11-1-99; 91-900, eff. 7-6-00; 92-263, eff. 8-7-01; 92-624, eff. 7-11-02.)

Section 20. The Economic Development Project Area Tax Increment Allocation Act of 1995 is amended by adding Sections 72 and 74 as follows:

(65 ILCS 110/72 new)

Sec. 72. Status report; hearing. No later than 10 years after the corporate authorities of a municipality adopt an ordinance to establish an economic development project area, the municipality must compile a status report concerning the economic development project area. The status report must detail without limitation the following: (i) the amount of revenue generated within the economic development project area, (ii) any expenditures made by the municipality for the economic development project area including without limitation expenditures from the special tax allocation fund, (iii) the status of planned activities, goals, and objectives set forth in the economic development plan including details on new or planned construction within the economic development project area, (iv) the amount of private and public investment within the economic development project area, and (v) any other relevant evaluation or performance data. Within 30 days after the municipality compiles the status report, the municipality must hold at least one public hearing concerning the report. The municipality must provide 20 days' public notice of the hearing.

(65 ILCS 110/74 new)

Sec. 74. Requirement for annual budget. Beginning in fiscal year 2011 and in each fiscal year thereafter, a municipality

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must detail in its annual budget (i) the revenues generated from economic development project areas by source and (ii) the expenditures made by the municipality for economic development project areas.

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