



Rep. Sonya M. Harper

Filed: 4/20/2018

10000HB3418ham002

LRB100 10990 AWJ 38951 a

1 AMENDMENT TO HOUSE BILL 3418

2 AMENDMENT NO. _____. Amend House Bill 3418, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Department of Agriculture Law of the Civil
6 Administrative Code of Illinois is amended by adding Section
7 205-65 as follows:

8 (20 ILCS 205/205-65 new)

9 Sec. 205-65. Municipal Urban Agricultural Areas. The
10 Department shall adopt rules consistent with the purposes of
11 Division 15.4 of the Illinois Municipal Code. The Department
12 shall adopt, at a minimum, rules defining "small or medium
13 sized farmer", "beginning farmer", "limited resource farmer",
14 and "socially-disadvantaged farmer" as used in Section
15 11-15.4-5 of the Illinois Municipal Code and shall consider
16 definitions of these terms set forth in the Agricultural Act of

1 2014 or the most recent federal Agricultural Act and the use of
2 those terms by the United States Department of Agriculture.
3 Upon request from a municipality, the Department shall issue
4 opinions regarding the consistency of applicants covered under
5 these definitions.

6 Section 10. The Property Tax Code is amended by changing
7 Section 18-165 as follows:

8 (35 ILCS 200/18-165)

9 Sec. 18-165. Abatement of taxes.

10 (a) Any taxing district, upon a majority vote of its
11 governing authority, may, after the determination of the
12 assessed valuation of its property, order the clerk of that
13 county to abate any portion of its taxes on the following types
14 of property:

15 (1) Commercial and industrial.

16 (A) The property of any commercial or industrial
17 firm, including but not limited to the property of (i)
18 any firm that is used for collecting, separating,
19 storing, or processing recyclable materials, locating
20 within the taxing district during the immediately
21 preceding year from another state, territory, or
22 country, or having been newly created within this State
23 during the immediately preceding year, or expanding an
24 existing facility, or (ii) any firm that is used for

1 the generation and transmission of electricity
2 locating within the taxing district during the
3 immediately preceding year or expanding its presence
4 within the taxing district during the immediately
5 preceding year by construction of a new electric
6 generating facility that uses natural gas as its fuel,
7 or any firm that is used for production operations at a
8 new, expanded, or reopened coal mine within the taxing
9 district, that has been certified as a High Impact
10 Business by the Illinois Department of Commerce and
11 Economic Opportunity. The property of any firm used for
12 the generation and transmission of electricity shall
13 include all property of the firm used for transmission
14 facilities as defined in Section 5.5 of the Illinois
15 Enterprise Zone Act. The abatement shall not exceed a
16 period of 10 years and the aggregate amount of abated
17 taxes for all taxing districts combined shall not
18 exceed \$4,000,000.

19 (A-5) Any property in the taxing district of a new
20 electric generating facility, as defined in Section
21 605-332 of the Department of Commerce and Economic
22 Opportunity Law of the Civil Administrative Code of
23 Illinois. The abatement shall not exceed a period of 10
24 years. The abatement shall be subject to the following
25 limitations:

26 (i) if the equalized assessed valuation of the

1 new electric generating facility is equal to or
2 greater than \$25,000,000 but less than
3 \$50,000,000, then the abatement may not exceed (i)
4 over the entire term of the abatement, 5% of the
5 taxing district's aggregate taxes from the new
6 electric generating facility and (ii) in any one
7 year of abatement, 20% of the taxing district's
8 taxes from the new electric generating facility;

9 (ii) if the equalized assessed valuation of
10 the new electric generating facility is equal to or
11 greater than \$50,000,000 but less than
12 \$75,000,000, then the abatement may not exceed (i)
13 over the entire term of the abatement, 10% of the
14 taxing district's aggregate taxes from the new
15 electric generating facility and (ii) in any one
16 year of abatement, 35% of the taxing district's
17 taxes from the new electric generating facility;

18 (iii) if the equalized assessed valuation of
19 the new electric generating facility is equal to or
20 greater than \$75,000,000 but less than
21 \$100,000,000, then the abatement may not exceed
22 (i) over the entire term of the abatement, 20% of
23 the taxing district's aggregate taxes from the new
24 electric generating facility and (ii) in any one
25 year of abatement, 50% of the taxing district's
26 taxes from the new electric generating facility;

1 (iv) if the equalized assessed valuation of
2 the new electric generating facility is equal to or
3 greater than \$100,000,000 but less than
4 \$125,000,000, then the abatement may not exceed
5 (i) over the entire term of the abatement, 30% of
6 the taxing district's aggregate taxes from the new
7 electric generating facility and (ii) in any one
8 year of abatement, 60% of the taxing district's
9 taxes from the new electric generating facility;

10 (v) if the equalized assessed valuation of the
11 new electric generating facility is equal to or
12 greater than \$125,000,000 but less than
13 \$150,000,000, then the abatement may not exceed
14 (i) over the entire term of the abatement, 40% of
15 the taxing district's aggregate taxes from the new
16 electric generating facility and (ii) in any one
17 year of abatement, 60% of the taxing district's
18 taxes from the new electric generating facility;

19 (vi) if the equalized assessed valuation of
20 the new electric generating facility is equal to or
21 greater than \$150,000,000, then the abatement may
22 not exceed (i) over the entire term of the
23 abatement, 50% of the taxing district's aggregate
24 taxes from the new electric generating facility
25 and (ii) in any one year of abatement, 60% of the
26 taxing district's taxes from the new electric

1 generating facility.

2 The abatement is not effective unless the owner of
3 the new electric generating facility agrees to repay to
4 the taxing district all amounts previously abated,
5 together with interest computed at the rate and in the
6 manner provided for delinquent taxes, in the event that
7 the owner of the new electric generating facility
8 closes the new electric generating facility before the
9 expiration of the entire term of the abatement.

10 The authorization of taxing districts to abate
11 taxes under this subdivision (a)(1)(A-5) expires on
12 January 1, 2010.

13 (B) The property of any commercial or industrial
14 development of at least (i) 500 acres or (ii) 225 acres
15 in the case of a commercial or industrial development
16 that applies for and is granted designation as a High
17 Impact Business under paragraph (F) of item (3) of
18 subsection (a) of Section 5.5 of the Illinois
19 Enterprise Zone Act, having been created within the
20 taxing district. The abatement shall not exceed a
21 period of 20 years and the aggregate amount of abated
22 taxes for all taxing districts combined shall not
23 exceed \$12,000,000.

24 (C) The property of any commercial or industrial
25 firm currently located in the taxing district that
26 expands a facility or its number of employees. The

1 abatement shall not exceed a period of 10 years and the
2 aggregate amount of abated taxes for all taxing
3 districts combined shall not exceed \$4,000,000. The
4 abatement period may be renewed at the option of the
5 taxing districts.

6 (2) Horse racing. Any property in the taxing district
7 which is used for the racing of horses and upon which
8 capital improvements consisting of expansion, improvement
9 or replacement of existing facilities have been made since
10 July 1, 1987. The combined abatements for such property
11 from all taxing districts in any county shall not exceed
12 \$5,000,000 annually and shall not exceed a period of 10
13 years.

14 (3) Auto racing. Any property designed exclusively for
15 the racing of motor vehicles. Such abatement shall not
16 exceed a period of 10 years.

17 (4) Academic or research institute. The property of any
18 academic or research institute in the taxing district that
19 (i) is an exempt organization under paragraph (3) of
20 Section 501(c) of the Internal Revenue Code, (ii) operates
21 for the benefit of the public by actually and exclusively
22 performing scientific research and making the results of
23 the research available to the interested public on a
24 non-discriminatory basis, and (iii) employs more than 100
25 employees. An abatement granted under this paragraph shall
26 be for at least 15 years and the aggregate amount of abated

1 taxes for all taxing districts combined shall not exceed
2 \$5,000,000.

3 (5) Housing for older persons. Any property in the
4 taxing district that is devoted exclusively to affordable
5 housing for older households. For purposes of this
6 paragraph, "older households" means those households (i)
7 living in housing provided under any State or federal
8 program that the Department of Human Rights determines is
9 specifically designed and operated to assist elderly
10 persons and is solely occupied by persons 55 years of age
11 or older and (ii) whose annual income does not exceed 80%
12 of the area gross median income, adjusted for family size,
13 as such gross income and median income are determined from
14 time to time by the United States Department of Housing and
15 Urban Development. The abatement shall not exceed a period
16 of 15 years, and the aggregate amount of abated taxes for
17 all taxing districts shall not exceed \$3,000,000.

18 (6) Historical society. For assessment years 1998
19 through 2018, the property of an historical society
20 qualifying as an exempt organization under Section
21 501(c)(3) of the federal Internal Revenue Code.

22 (7) Recreational facilities. Any property in the
23 taxing district (i) that is used for a municipal airport,
24 (ii) that is subject to a leasehold assessment under
25 Section 9-195 of this Code and (iii) which is sublet from a
26 park district that is leasing the property from a

1 municipality, but only if the property is used exclusively
2 for recreational facilities or for parking lots used
3 exclusively for those facilities. The abatement shall not
4 exceed a period of 10 years.

5 (8) Relocated corporate headquarters. If approval
6 occurs within 5 years after the effective date of this
7 amendatory Act of the 92nd General Assembly, any property
8 or a portion of any property in a taxing district that is
9 used by an eligible business for a corporate headquarters
10 as defined in the Corporate Headquarters Relocation Act.
11 Instead of an abatement under this paragraph (8), a taxing
12 district may enter into an agreement with an eligible
13 business to make annual payments to that eligible business
14 in an amount not to exceed the property taxes paid directly
15 or indirectly by that eligible business to the taxing
16 district and any other taxing districts for premises
17 occupied pursuant to a written lease and may make those
18 payments without the need for an annual appropriation. No
19 school district, however, may enter into an agreement with,
20 or abate taxes for, an eligible business unless the
21 municipality in which the corporate headquarters is
22 located agrees to provide funding to the school district in
23 an amount equal to the amount abated or paid by the school
24 district as provided in this paragraph (8). Any abatement
25 ordered or agreement entered into under this paragraph (8)
26 may be effective for the entire term specified by the

1 taxing district, except the term of the abatement or annual
2 payments may not exceed 20 years.

3 (9) United States Military Public/Private Residential
4 Developments. Each building, structure, or other
5 improvement designed, financed, constructed, renovated,
6 managed, operated, or maintained after January 1, 2006
7 under a "PPV Lease", as set forth under Division 14 of
8 Article 10, and any such PPV Lease.

9 (10) Property located in a business corridor that
10 qualifies for an abatement under Section 18-184.10.

11 (11) Under Section 11-15.4-25 of the Illinois
12 Municipal Code, property located within an urban
13 agricultural area that is used by a qualifying farmer for
14 processing, growing, raising, or otherwise producing
15 agricultural products.

16 (b) Upon a majority vote of its governing authority, any
17 municipality may, after the determination of the assessed
18 valuation of its property, order the county clerk to abate any
19 portion of its taxes on any property that is located within the
20 corporate limits of the municipality in accordance with Section
21 8-3-18 of the Illinois Municipal Code.

22 (Source: P.A. 97-577, eff. 1-1-12; 97-636, eff. 6-1-12; 98-109,
23 eff. 7-25-13.)

24 Section 15. The Illinois Municipal Code is amended by
25 changing Section 11-74.4-3 and by adding Division 15.4 to

1 Article 11 as follows:

2 (65 ILCS 5/Art. 11 Div. 15.4 heading new)

3 DIVISION 15.4. MUNICIPAL URBAN AGRICULTURAL AREAS

4 (65 ILCS 5/11-15.4-5 new)

5 Sec. 11-15.4-5. Definitions. As used in this Division:

6 "Agricultural product" means an agricultural,
7 horticultural, viticultural, aquacultural, or vegetable
8 product, either in its natural or processed state, that has
9 been produced, processed, or otherwise had value added to it in
10 this State. "Agricultural product" includes, but is not limited
11 to, growing of grapes that will be processed into wine; bees;
12 honey; fish or other aquacultural product; planting seed;
13 livestock or livestock product; forestry product; and poultry
14 or poultry product.

15 "Aquaculture" and "aquatic products" have the meanings
16 given to those terms in Section 4 of the Aquaculture
17 Development Act.

18 "Department" means the Department of Agriculture.

19 "Livestock" means cattle; calves; sheep; swine; ratite
20 birds, including, but not limited to, ostrich and emu; aquatic
21 products obtained through aquaculture; llamas; alpaca;
22 buffalo; elk documented as obtained from a legal source and not
23 from the wild; goats; horses and other equines; or rabbits
24 raised in confinement for human consumption.

1 "Locally grown" means a product that was grown or raised in
2 the same county or adjoining county in which the urban
3 agricultural area is located.

4 "Partner organization" means a nonprofit organization that
5 meets standards set forth by Section 501(c)(3) of the Internal
6 Revenue Code and whose mission includes supporting small,
7 beginning, limited resource, or socially-disadvantaged farmers
8 within municipalities.

9 "Poultry" means any domesticated bird intended for human
10 consumption.

11 "Qualifying farmer" means an individual or entity that
12 meets at least one of the following:

- 13 (1) is a small or medium sized farmer;
14 (2) is a beginning farmer;
15 (3) is a limited resource farmer; or
16 (4) is a socially-disadvantaged farmer.

17 "Small or medium sized farmer", "beginning farmer",
18 "limited resource farmer", and "socially-disadvantaged farmer"
19 have the meanings given to those terms in rules adopted by the
20 Department as provided in Section 205-65 of the Department of
21 Agriculture Law.

22 "Urban agricultural area" means an area defined by a
23 municipality and entirely within that municipality's
24 boundaries within which one or more qualifying farmers are
25 processing, growing, raising, or otherwise producing
26 locally-grown agricultural products.

1 (65 ILCS 5/11-15.4-10 new)

2 Sec. 11-15.4-10. Urban agricultural area committee.

3 (a) The corporate authorities of a municipality that seek
4 to establish an urban agricultural area shall first establish
5 an urban agricultural area committee after it receives an
6 application to establish an urban agricultural area under
7 Section 11-15.4-15. There shall be 5 members on the committee.
8 One member of the committee shall be a member of the
9 municipality's board and shall be appointed by the board. The
10 remaining 4 members shall be appointed by the president or
11 mayor of the municipality. The 4 members chosen by the
12 president or mayor shall all be residents of the municipality
13 in which the urban agricultural area is to be located, and at
14 least one of the 4 members shall have experience in or
15 represent an organization associated with sustainable
16 agriculture, urban farming, community gardening, or any of the
17 activities or products authorized by this Division for urban
18 agricultural areas.

19 (b) The members of the committee annually shall elect a
20 chair from among the members. The members shall serve without
21 compensation, but may be reimbursed for actual and necessary
22 expenses incurred in the performance of their official duties.

23 (c) A majority of the members shall constitute a quorum of
24 the committee for the purpose of conducting business and
25 exercising the powers of the committee and for all other

1 purposes. Action may be taken by the committee upon a vote of a
2 majority of the members present.

3 (d) The role of the committee shall be to conduct the
4 activities necessary to advise the corporate authorities of the
5 municipality on the designation, modification, and termination
6 of an urban agricultural area and any other advisory duties as
7 determined by the corporate authorities of the municipality.
8 The role of the committee after the designation of an urban
9 agricultural area shall be review and assessment of an urban
10 agricultural area's activities.

11 (65 ILCS 5/11-15.4-15 new)

12 Sec. 11-15.4-15. Application for an urban agricultural
13 area; review; dissolution.

14 (a) A qualified farmer or partner organization may submit
15 to the municipal clerk an application to establish an urban
16 agricultural area. The application shall demonstrate or
17 identify:

18 (1) that the applicant is a qualified farmer;

19 (2) the number of jobs to be created, maintained, or
20 supported within the proposed urban agricultural area;

21 (3) the types of products to be produced; and

22 (4) the geographic description of the area that will be
23 included in the urban agricultural area.

24 (b) An urban agricultural area committee shall review and
25 modify the application as necessary before the municipality

1 either approves or denies the request to establish an urban
2 agricultural area.

3 (c) Approval of the urban agricultural area by a
4 municipality shall be reviewed every 5 years after the
5 development of the urban agricultural area. After 25 years, the
6 urban agricultural area shall dissolve. If the municipality
7 finds during its review that the urban agricultural area is not
8 meeting the requirements set out in this Division, the
9 municipality may dissolve the urban agricultural area by
10 ordinance or resolution.

11 (65 ILCS 5/11-15.4-20 new)

12 Sec. 11-15.4-20. Notice and public hearing; urban
13 agricultural area ordinance. Prior to the adoption of an
14 ordinance designating an urban agricultural area, the urban
15 agricultural area committee shall fix a time and place for a
16 public hearing and notify each taxing unit of local government
17 located wholly or partially within the boundaries of the
18 proposed urban agricultural area. The committee shall publish
19 notice of the hearing in a newspaper of general circulation in
20 the area to be affected by the designation at least 20 days
21 prior to the hearing but not more than 30 days prior to the
22 hearing. The notice shall state the time, location, date, and
23 purpose of the hearing. At the public hearing, any interested
24 person or affected taxing unit of local government may file
25 with the committee written objections or comments and may be

1 heard orally in respect to, any issues embodied in the notice.
2 The committee shall hear and consider all objections, comments,
3 and other evidence presented at the hearing. The hearing may be
4 continued to another date without further notice other than a
5 motion to be entered upon the minutes fixing the time and place
6 of the subsequent hearing.

7 Following the conclusion of the public hearing required
8 under this Section, the corporate authorities of the
9 municipality may adopt an ordinance establishing and
10 designating an urban agricultural area.

11 (65 ILCS 5/11-15.4-25 new)

12 Sec. 11-15.4-25. Taxation of property; water rates and
13 charges.

14 (a) If authorized by the ordinance that establishes an
15 urban agricultural area under Section 11-15.4-20, a
16 municipality may provide for the abatement of taxes it levies
17 upon real property located within an urban agricultural area
18 that is used by a qualifying farmer for processing, growing,
19 raising, or otherwise producing agricultural products under
20 item (11) of subsection (a) of Section 18-165 of the Property
21 Tax Code. Parcels of property assessed under Section 10-110 of
22 the Property Tax Code are not eligible for the abatements
23 provided in this subsection; except that if real property
24 assessed under Section 10-110 is reassessed and is subsequently
25 no longer assessed under Section 10-110, that property becomes

1 eligible for the abatements provided for in this Section. Real
2 property located in a redevelopment area created under the Tax
3 Increment Allocation Redevelopment Act and an urban
4 agricultural area created under this Division may be eligible
5 for an abatement under this Section, but only with respect to
6 the initial equalized assessed value of the real property.

7 (b) A municipality may authorize an entity providing water,
8 electricity, or other utilities to an urban agricultural area
9 to allow qualified farmers and partner organizations in the
10 urban agricultural area to: (1) pay wholesale or otherwise
11 reduced rates for service to property within the urban
12 agricultural area that is used for processing, growing,
13 raising, or otherwise producing agricultural products; or (2)
14 pay reduced or waived connection charges for service to
15 property within the urban agricultural area that is used for
16 processing, growing, raising, or otherwise producing
17 agricultural products.

18 (65 ILCS 5/11-15.4-30 new)

19 Sec. 11-15.4-30. Unreasonable restrictions and
20 regulations; special assessments and levies.

21 (a) A municipality may not exercise any of its powers to
22 enact ordinances within an urban agricultural area in a manner
23 that would unreasonably restrict or regulate farming practices
24 in contravention of the purposes of this Act unless the
25 restrictions or regulations bear a direct relationship to

1 public health or safety.

2 (b) A unit of local government providing public services,
3 such as sewer, water, lights, or non-farm drainage, may not
4 impose benefit assessments or special ad valorem levies on land
5 within an urban agricultural area on the basis of frontage,
6 acreage, or value unless the benefit assessments or special ad
7 valorem levies were imposed prior to the formation of the urban
8 agricultural area or unless the service is provided to the
9 landowner on the same basis as others having the service.

10 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

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

15 (a) For any redevelopment project area that has been
16 designated pursuant to this Section by an ordinance adopted
17 prior to November 1, 1999 (the effective date of Public Act
18 91-478), "blighted area" shall have the meaning set forth in
19 this Section prior to that date.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (9) Excessive land coverage and overcrowding of

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 Municipalities that issued bonds in connection with a
19 redevelopment project in a redevelopment project area within
20 the State Sales Tax Boundary prior to July 29, 1991, or that
21 entered into contracts in connection with a redevelopment
22 project in a redevelopment project area before June 1, 1988,
23 shall continue to receive their proportional share of the
24 Illinois Tax Increment Fund distribution until the date on
25 which the redevelopment project is completed or terminated. If,
26 however, a municipality that issued bonds in connection with a

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

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

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

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

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

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

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

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

1 property in said area.

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

26 (A) an itemized list of estimated redevelopment

1 project costs;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 project area.

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

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

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

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

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

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

1 developers, and investors;

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

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

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

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

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

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

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

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

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

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

3 (A) for foundation districts, excluding any school
4 district in a municipality with a population in excess
5 of 1,000,000, by multiplying the district's increase
6 in attendance resulting from the net increase in new
7 students enrolled in that school district who reside in
8 housing units within the redevelopment project area
9 that have received financial assistance through an
10 agreement with the municipality or because the
11 municipality incurs the cost of necessary
12 infrastructure improvements within the boundaries of
13 the housing sites necessary for the completion of that
14 housing as authorized by this Act since the designation
15 of the redevelopment project area by the most recently
16 available per capita tuition cost as defined in Section
17 10-20.12a of the School Code less any increase in
18 general State aid as defined in Section 18-8.05 of the
19 School Code or evidence-based funding as defined in
20 Section 18-8.15 of the School Code attributable to
21 these added new students subject to the following
22 annual limitations:

23 (i) for unit school districts with a district
24 average 1995-96 Per Capita Tuition Charge of less
25 than \$5,900, no more than 25% of the total amount
26 of property tax increment revenue produced by

1 those housing units that have received tax
2 increment finance assistance under this Act;

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

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

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

1 the boundaries of the housing sites necessary for the
2 completion of that housing as authorized by this Act
3 since the designation of the redevelopment project
4 area by the most recently available per capita tuition
5 cost as defined in Section 10-20.12a of the School Code
6 less any increase in general state aid as defined in
7 Section 18-8.05 of the School Code or evidence-based
8 funding as defined in Section 18-8.15 of the School
9 Code attributable to these added new students subject
10 to the following annual limitations:

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

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

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

26 (C) For any school district in a municipality with

1 a population in excess of 1,000,000, the following
2 restrictions shall apply to the reimbursement of
3 increased costs under this paragraph (7.5):

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

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

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

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

1 right to all or a portion of the reimbursement
2 otherwise required by this paragraph (7.5). By
3 acceptance of this reimbursement the school district
4 waives the right to directly or indirectly set aside,
5 modify, or contest in any manner the establishment of
6 the redevelopment project area or projects;

7 (7.7) For redevelopment project areas designated (or
8 redevelopment project areas amended to add or increase the
9 number of tax-increment-financing assisted housing units)
10 on or after January 1, 2005 (the effective date of Public
11 Act 93-961), a public library district's increased costs
12 attributable to assisted housing units located within the
13 redevelopment project area for which the developer or
14 redeveloper receives financial assistance through an
15 agreement with the municipality or because the
16 municipality incurs the cost of necessary infrastructure
17 improvements within the boundaries of the assisted housing
18 sites necessary for the completion of that housing as
19 authorized by this Act shall be paid to the library
20 district by the municipality from the Special Tax
21 Allocation Fund when the tax increment revenue is received
22 as a result of the assisted housing units. This paragraph
23 (7.7) applies only if (i) the library district is located
24 in a county that is subject to the Property Tax Extension
25 Limitation Law or (ii) the library district is not located
26 in a county that is subject to the Property Tax Extension

1 Limitation Law but the district is prohibited by any other
2 law from increasing its tax levy rate without a prior voter
3 referendum.

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

26 A library district is not eligible for any payment

1 under this paragraph (7.7) unless the library district has
2 experienced an increase in the number of patrons from the
3 municipality that created the tax-increment-financing
4 district since the designation of the redevelopment
5 project area.

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

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

26 (9) Payment in lieu of taxes;

1 (10) Costs of job training, retraining, advanced
2 vocational education or career education, including but
3 not limited to courses in occupational, semi-technical or
4 technical fields leading directly to employment, incurred
5 by one or more taxing districts, provided that such costs
6 (i) are related to the establishment and maintenance of
7 additional job training, advanced vocational education or
8 career education programs for persons employed or to be
9 employed by employers located in a redevelopment project
10 area; and (ii) when incurred by a taxing district or taxing
11 districts other than the municipality, are set forth in a
12 written agreement by or among the municipality and the
13 taxing district or taxing districts, which agreement
14 describes the program to be undertaken, including but not
15 limited to the number of employees to be trained, a
16 description of the training and services to be provided,
17 the number and type of positions available or to be
18 available, itemized costs of the program and sources of
19 funds to pay for the same, and the term of the agreement.
20 Such costs include, specifically, the payment by community
21 college districts of costs pursuant to Sections 3-37, 3-38,
22 3-40 and 3-40.1 of the Public Community College Act and by
23 school districts of costs pursuant to Sections 10-22.20a
24 and 10-23.3a of the School Code;

25 (11) Interest cost incurred by a redeveloper related to
26 the construction, renovation or rehabilitation of a

1 redevelopment project provided that:

2 (A) such costs are to be paid directly from the
3 special tax allocation fund established pursuant to
4 this Act;

5 (B) such payments in any one year may not exceed
6 30% of the annual interest costs incurred by the
7 redeveloper with regard to the redevelopment project
8 during that year;

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

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

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

1 for 30% in subparagraphs (B) and (D) of paragraph (11);
2 and

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

19 The eligible costs provided under this
20 subparagraph (F) of paragraph (11) shall be an eligible
21 cost for the construction, renovation, and
22 rehabilitation of all low and very low-income housing
23 units, as defined in Section 3 of the Illinois
24 Affordable Housing Act, within the redevelopment
25 project area. If the low and very low-income units are
26 part of a residential redevelopment project that

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

1 for costs associated with the units or for the
2 retirement of bonds issued to finance the units or for
3 the life of the redevelopment project area, whichever
4 is later;

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

21 (12) Costs relating to the development of urban
22 agricultural areas under Division 15.2 of the Illinois
23 Municipal Code.

24 Unless explicitly stated herein the cost of construction of
25 new privately-owned buildings shall not be an eligible
26 redevelopment project cost.

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

19 No cost shall be a redevelopment project cost in a
20 redevelopment project area if used to demolish, remove, or
21 substantially modify a historic resource, after August 26, 2008
22 (the effective date of Public Act 95-934), unless no prudent
23 and feasible alternative exists. "Historic resource" for the
24 purpose of this paragraph means (i) a place or structure that
25 is included or eligible for inclusion on the National Register
26 of Historic Places or (ii) a contributing structure in a

1 district on the National Register of Historic Places. This
2 paragraph does not apply to a place or structure for which
3 demolition, removal, or modification is subject to review by
4 the preservation agency of a Certified Local Government
5 designated as such by the National Park Service of the United
6 States Department of the Interior.

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

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

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

25 (r) "State Sales Tax Boundary" means the redevelopment
26 project area or the amended redevelopment project area

1 boundaries which are determined pursuant to subsection (9) of
2 Section 11-74.4-8a of this Act. The Department of Revenue shall
3 certify pursuant to subsection (9) of Section 11-74.4-8a the
4 appropriate boundaries eligible for the determination of State
5 Sales Tax Increment.

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

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

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

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

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

26 (v) As used in subsection (a) of Section 11-74.4-3 of this

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

26 (w) "Annual Total Increment" means the sum of each

1 municipality's annual Net Sales Tax Increment and each
2 municipality's annual Net Utility Tax Increment. The ratio of
3 the Annual Total Increment of each municipality to the Annual
4 Total Increment for all municipalities, as most recently
5 calculated by the Department, shall determine the proportional
6 shares of the Illinois Tax Increment Fund to be distributed to
7 each municipality.

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

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

15 (Source: P.A. 99-792, eff. 8-12-16; 100-201, eff. 8-18-17;
16 100-465, eff. 8-31-17.)".