

1 AN ACT in relation to economic development.

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

4 Section 5. The Property Tax Code is amended by adding
5 Section 18-181 as follows:

6 (35 ILCS 200/18-181 new)

7 Sec. 18-181. Abatement of neighborhood redevelopment
8 corporation property. The county clerk shall abate the property
9 taxes imposed on the property of a neighborhood redevelopment
10 corporation as provided in Section 15-5 of the Neighborhood
11 Redevelopment Corporation Law.

12 Section 10. The Neighborhood Redevelopment Corporation Law
13 is amended by changing Sections 3-11, 4, 15, and 17 and by
14 adding Section 15-5 as follows:

15 (315 ILCS 20/3-11) (from Ch. 67 1/2, par. 253-11)

16 Sec. 3-11. "Slum and Blight Areas" means those urban
17 districts in which the major portion of the housing is
18 detrimental to the health, safety, morality or welfare of the
19 occupants by reason of age, dilapidation, overcrowding, faulty
20 arrangement, lack of ventilation, light or sanitation
21 facilities, or any combination of these factors. In St. Clair
22 County, "slum and blighted area" also means any area of not
23 less in the aggregate than 2 acres located within the
24 territorial limits of a municipality where buildings or
25 improvements, by reason of dilapidation, obsolescence,
26 overcrowding, faulty arrangement or design, lack of
27 ventilation, light and sanitary facilities, excessive land
28 coverage, deleterious land use or layout or any combination of
29 these factors, are detrimental to the public safety, health,
30 morals, or welfare.

1 (Source: Laws 1947, p. 685.)

2 (315 ILCS 20/4) (from Ch. 67 1/2, par. 254)

3 Sec. 4. Creation and establishment of redevelopment
4 commissions.

5 (a) Any city, village or incorporated town shall have the
6 power to provide for the creation of a Redevelopment Commission
7 to supervise and regulate Neighborhood Redevelopment
8 Corporations organized pursuant to the provisions of this Act
9 to operate within the boundaries of such city, village or
10 incorporated town.

11 (1) Except as provided in subdivision (a)(2), such
12 Redevelopment Commission shall consist of not less than
13 three nor more than five members, one of which members
14 shall be designated as its chairman, to be appointed by the
15 mayor of the city, by and with the advice and consent of
16 the city council of the city, or by the president of the
17 village or incorporated town, as the case may be, by and
18 with the advice and consent of the board of trustees of the
19 village or incorporated town. Each member of the
20 Redevelopment Commission shall hold office for a term of
21 two years and until his successor shall be appointed and
22 qualified. Any vacancy in the membership of the
23 Redevelopment Commission occurring by reason of the death,
24 resignation, disqualification, inability or refusal to act
25 of any of the members thereof shall be filled by
26 appointment by the mayor or president, as the case may be,
27 by and with the advice and consent of the city council of
28 the city or board of trustees of the village or
29 incorporated town, as the case may be.

30 (2) In St. Clair County, the Redevelopment Commission
31 shall consist of either 5 or 7 appointed members as
32 determined by the mayor. The mayor and each member of the
33 city council may nominate a person to fill each position on
34 the Redevelopment Commission. The president of the village
35 or incorporated town, as the case may be, and each member

1 of the board of trustees of the village or incorporated
2 town may nominate a person to fill each position on the
3 Redevelopment Commission. Each nominee must be a person of
4 recognized ability and experience in one or more of the
5 following areas: economic development; finance; banking;
6 industrial development; small business management; real
7 estate development; community development; venture
8 finance; organized labor; or civic, community, or
9 neighborhood organization. A nominated person shall be
10 appointed to the Redevelopment Commission only upon a
11 majority vote of the city council or the board of trustees
12 of the village or incorporated town, as the case may be.
13 Only one person may fill each open position on the
14 Redevelopment Commission. One of the appointed members
15 shall be designated as the chairman of the Redevelopment
16 Commission by a majority vote of the city council or the
17 board of trustees of the village or incorporated town, as
18 the case may be. Only one member may serve as chairman at
19 any given time.

20 The initial terms of members of the Redevelopment
21 Commission appointed under this subdivision (a)(2) shall
22 be as follows: for a Commission consisting of 5 members: 2
23 terms for 3 years, 2 terms for 2 years, and one term for
24 one year; for a Commission consisting of 7 members: 3 terms
25 for 3 years, 3 terms for 2 years, and one term for 1 year.
26 The length of the term of the first Commissioners shall be
27 determined by lots at their first meeting. The initial
28 terms of office of members who are to hold office shall
29 continue until the July 1 that next follows the expiration
30 of the respective periods from the date of the appointment
31 of the member, and until his or her successor is appointed
32 and qualified.

33 Each subsequent Commissioner appointed under this
34 subdivision (a)(2) shall hold office for a term of 4 years
35 and until his or her successor is appointed and qualified.

36 The unexpired term of any vacancy in the membership of

1 the Redevelopment Commission occurring by reason of the
2 death, resignation, disqualification, inability, or
3 refusal to act of any of the members thereof shall be
4 filled in the same manner as the vacated position was
5 filled.

6 In addition to the 5 or 7 appointed members, the
7 Director of Commerce and Economic Opportunity, or his or
8 her designee, and the Secretary of Transportation, or his
9 or her designee, shall serve as ex officio non-voting
10 members.

11 (b) No person holding stocks or Mortgages in any
12 Neighborhood Redevelopment Corporation, or who is in any other
13 manner directly or indirectly pecuniarily interested in such
14 Neighborhood Redevelopment Corporation, or in the Development
15 undertaken by it, shall be appointed as a member of, or be
16 employed by, that Redevelopment Commission to whose
17 supervision and regulation such Neighborhood Redevelopment
18 Corporation is subject. If any such member or employee shall
19 voluntarily become so interested his office or employment shall
20 ipso facto become vacant. If any such member or employee
21 becomes so interested otherwise than voluntarily he shall
22 within ninety days divest himself of such interest and if he
23 fails to do so his office or employment shall become vacant.

24 (c) The Redevelopment Commission shall have power, subject
25 to the approval of the city council of the city, or of the
26 president and the board of trustees of the village or
27 incorporated town, as the case may be, to appoint a secretary
28 and from time to time to employ such accountants, engineers,
29 architects, experts, inspectors, clerks and other employees
30 and fix their compensation.

31 (d) Each member of the Redevelopment Commission shall
32 receive such salary as shall be fixed by the city council of
33 the city, or by the president and the board of trustees of the
34 village or incorporated town, as the case may be, and said city
35 council or president and board of trustees shall have power to
36 provide for the payment of the salaries of all members and the

1 expenses of the Redevelopment Commission.

2 (Source: Laws 1941, vol. 1, p. 431.)

3 (315 ILCS 20/15) (from Ch. 67 1/2, par. 265)

4 Sec. 15. Taxation of Neighborhood Redevelopment
5 Corporations.

6 Except as provided in Section 15-5, Neighborhood
7 Redevelopment Corporations organized under this Act,
8 notwithstanding their function in the Redevelopment of Slum and
9 Blight or Conservation Areas, shall be subject to the same
10 taxation, general and special, as to their assets, tangible and
11 intangible, and as to their capital stock, as is imposed by law
12 upon the assets and capital stock of private corporations for
13 profit organized pursuant to the laws of this State.

14 (Source: Laws 1953, p. 1138.)

15 (315 ILCS 20/15-5 new)

16 Sec. 15-5. Property tax abatement; limitation.

17 (a) Once the requirements of this Section have been
18 complied with, except as otherwise provided in this Section,
19 the general real estate taxes imposed on the real property
20 located in St. Clair County of a neighborhood redevelopment
21 corporation or its immediate successor and acquired pursuant to
22 this Law shall be abated for a period not in excess of 10 years
23 after the date upon which the corporation becomes owner of that
24 real property.

25 (b) General real estate taxes may be imposed and collected,
26 however, to the extent and in the amount as may be imposed upon
27 that real property during that period measured solely by the
28 amount of the assessed valuation of the land, exclusive of
29 improvements, acquired pursuant to this Law and owned by the
30 neighborhood redevelopment corporation or its immediate
31 successor, as was determined by the county, township, or
32 multi-township assessor, for real estate taxes due and payable
33 thereon during the calendar year preceding the calendar year
34 during which the corporation acquired title to the real

1 property. The assessed valuation shall not be increased during
2 that period so long as the real property is owned by a
3 neighborhood redevelopment corporation or its immediate
4 successor and used in accordance with a development plan
5 authorized by the Redevelopment Commission under this Law.

6 (c) If, however, the real property was exempt from general
7 real estate taxes immediately prior to ownership by any
8 neighborhood redevelopment corporation, the county, township,
9 or multi-township assessor shall, upon acquisition of title by
10 the neighborhood redevelopment corporation, promptly assess
11 the land, exclusive of improvements, at a valuation that
12 conforms to but does not exceed the assessed valuation made
13 during the preceding calendar year of other land, exclusive of
14 improvements, that is adjacent or in the same general
15 neighborhood, and the amount of that assessed valuation shall
16 not be increased during the period set pursuant to subsection
17 (a) so long as the real property is owned by a neighborhood
18 redevelopment corporation or its immediate successor and used
19 in accordance with a development plan authorized by the
20 Redevelopment Commission.

21 (d) For the next ensuing period not in excess of 15 years,
22 general real estate taxes upon that real property shall be
23 abated in an amount not to exceed 50% of the taxes imposed by
24 each taxing district so long as the real property is owned by a
25 neighborhood redevelopment corporation or its immediate
26 successor and used in accordance with an authorized development
27 plan.

28 (e) After a period totaling not more than 25 years, the
29 real property shall be subject to assessment and payment of all
30 real estate taxes, based on the full fair cash value of the
31 real property.

32 (f) The tax abatement authorized by this Section shall not
33 become effective unless the governing body of the city,
34 village, or incorporated town in which the property is located
35 does all of the following:

36 (1) Furnishes each taxing district whose boundaries

1 for real estate taxation purposes include any portion of
2 the real property to be affected by the tax abatement with
3 a written statement of the impact on real estate taxes the
4 tax abatement will have on those taxing districts and
5 written notice of the hearing to be held in accordance with
6 subdivision (f)(2). The written statement and notice
7 required by this subdivision (f)(1) shall be furnished as
8 provided by local ordinance before the hearing and shall
9 include, but need not be limited to, an estimate of the
10 amount of real estate tax revenues of each taxing district
11 that will be affected by the proposed tax abatement, based
12 on the estimated assessed valuation of the real property
13 involved as the property would exist before and after it is
14 redeveloped.

15 (2) Conducts a public hearing regarding the tax
16 abatement. At the hearing all taxing districts described in
17 subdivision (f)(1) have the right to be heard on the grant
18 of any tax abatement.

19 (3) Enacts an ordinance that provides for expiration of
20 the tax abatement. The ordinance shall provide for a
21 duration of time within which the real property must be
22 acquired and may allow for acquisition of property under
23 the plan in phases.

24 (g) Notwithstanding any other provision of law to the
25 contrary, payments in lieu of taxes may be imposed by contract
26 between a city, village, or incorporated town and a
27 neighborhood redevelopment corporation or its immediate
28 successor that receives a tax abatement on property pursuant to
29 this Section. The payments shall be made to the county
30 collector of the county by December 31 of each year payments
31 are due. The governing body of the city, village, or
32 incorporated town shall furnish the collector with a copy of
33 any such contract requiring payment in lieu of taxes. The
34 collector shall allocate all revenues received from the payment
35 in lieu of taxes among all taxing districts whose real estate
36 tax revenues are affected by the abatement on the same pro rata

1 basis and in the same manner as the real estate tax revenues
2 received by each taxing district from that property in the year
3 the payments are due.

4 (315 ILCS 20/17) (from Ch. 67 1/2, par. 267)

5 Sec. 17. Acquisition of property and construction subject
6 to approval - Application for and issuance of certificates of
7 convenience and necessity). No Neighborhood Redevelopment
8 Corporation shall acquire title to any Real Property, or any
9 interest therein except by way of unexercised option, or
10 institute any Development without making written application
11 to the Redevelopment Commission for approval of the proposed
12 Development Plan in the manner hereinafter prescribed, and
13 without securing the certificate of convenience and necessity
14 to be issued by the Redevelopment Commission upon the
15 conditions hereinafter mentioned.

16 (1) The application of a Neighborhood Redevelopment
17 Corporation for approval of its proposed Development Plan shall
18 contain:

19 (a) The legal description of the proposed Development Area
20 and the description thereof by city blocks, street and number,
21 if any.

22 (b) A statement of the character of the estates in Real
23 Property to be acquired by the Neighborhood Redevelopment
24 Corporation.

25 (c) A statement showing the present use of the Real
26 Property in the proposed Development Area, the zoning
27 restrictions, if any, thereon, and the private restrictions, if
28 any, of record, and that no interest in Real Property in the
29 proposed Development Area is to be acquired because of the
30 race, color, creed, national origin or sex of any person owning
31 or claiming an interest in that Real Property.

32 (d) A statement of the existing buildings or improvements
33 in the Development Area, if any, which are to be demolished.

34 (e) A statement of the existing buildings or improvements,
35 if any, in the Development Area which are not to be immediately

1 demolished and the approximate period of time within which the
2 demolition, if any, of each such building or improvement is to
3 take place.

4 (f) A statement of the proposed improvements, if any, of
5 each building, if any, not to be demolished immediately, and
6 any proposed repairs or alterations of such buildings.

7 (g) A statement of the type, number and character of each
8 new industrial, commercial, residential, public or other
9 building or improvement to be erected or made.

10 (h) A metes and bounds description of that portion of the
11 proposed Development Area to be devoted for a park, playground
12 or recreation center for the use of the Development, the
13 specific use to which such portion is to be put and the manner
14 in which it shall be improved.

15 (i) A statement of those portions, if any, of the proposed
16 Development Area (other than the portions to be devoted for a
17 park, playground or recreation center for the use of the
18 Development) to be left as open land area and the manner in
19 which such portions, if any, shall be maintained.

20 (j) A statement of recommended changes, if any, in the
21 zoning ordinances, necessary or desirable for the Development
22 and its protection against blighting influences.

23 (k) A statement of recommended changes, if any, in streets
24 or street levels and of recommended vacations, if any, of
25 streets, alleys, or other public spaces.

26 (l) A statement in detail of the estimated Development Cost
27 and of the proposed method of financing the Development,
28 sufficient to give assurance that the Neighborhood
29 Redevelopment Corporation will be able to complete and operate
30 the Development.

31 (m) An estimate of the periods of time within which, after
32 the approval of the Development Plan, the Neighborhood
33 Redevelopment Corporation will be able to initiate and to
34 complete its Development, excepting unexpected delays not
35 caused by it.

36 (n) A statement of the character, approximate number of

1 units, approximate rentals and approximate date of
2 availability of the proposed dwelling accommodations, if any,
3 to be furnished during construction and upon completion of the
4 Development.

5 (o) Such other statements or material as the applicant
6 Neighborhood Redevelopment Corporation deems relevant,
7 including recommendations for the Redevelopment of one or more
8 areas contiguous to the proposed Development Area.

9 (2) No certificate of convenience and necessity shall be
10 issued by the Redevelopment Commission upon application by a
11 Neighborhood Redevelopment Corporation except upon the
12 fulfillment of the following conditions:

13 (a) That the Neighborhood Redevelopment Corporation has
14 filed with the Redevelopment Commission a bond, in form and
15 with surety or sureties satisfactory to the Redevelopment
16 Commission, in the penal sum of ten per centum of the estimated
17 Development Cost as set out in the application of the
18 Neighborhood Redevelopment Corporation but in no event to
19 exceed \$10,000.00, payable to the city, village or incorporated
20 town creating the Redevelopment Commission, the payment to be
21 deposited in the general corporate fund of such city, village
22 or incorporated town, the bond to be conditioned upon the
23 initiation and completion of the Development within the
24 respective time limits, or authorized extensions thereof,
25 prescribed by the Redevelopment Commission.

26 (b) That the Neighborhood Redevelopment Corporation has
27 agreed in writing to incorporate in its instruments of sale,
28 conveyance, transfer, lease or assignment such restrictions as
29 the Redevelopment Commission may by rule, pursuant to paragraph
30 1 of Section 25 of this Act, impose as to the type of
31 construction, use, landscape and architectural design of the
32 Development.

33 (c) That the Neighborhood Redevelopment Corporation, other
34 than for or in a Conservation Area, has agreed in writing to
35 devote as a minimum ten per centum of the Development Area for
36 a park, playground or recreation center for the use of the

1 Development (the site or sites for which shall be determined by
2 the Redevelopment Commission), to provide adequate financial
3 arrangements for defraying the upkeep thereof during its
4 corporate existence, and to place thereon, in the manner
5 prescribed by subparagraph (b) of paragraph 2 of this Section,
6 such use restrictions as the Development Commission may by rule
7 impose; Provided, that in determining the proportion of open
8 land area required by any zoning ordinance compared to the land
9 area used for building purposes, the portion so devoted for
10 park, playground or recreation center shall be counted as open
11 land area.

12 (d) That the Neighborhood Redevelopment Corporation has
13 agreed in writing that in selling, leasing and managing all
14 Real Property subject to the plan there will be no
15 discrimination against any person on account of race, color,
16 creed, national origin or sex.

17 (e) That the Redevelopment Commission shall, after the
18 public hearing provided by paragraph 1 of Section 18 of this
19 Act, have made the determinations provided in paragraph 3 of
20 this Section 17, either originally or after the application has
21 been remanded upon judicial review.

22 (3) The Redevelopment Commission, before the issuance of
23 the certificate of convenience and necessity to a Neighborhood
24 Redevelopment Corporation, shall determine that:

25 (a) The Development Area is within an area which, under the
26 conditions existing at the time, is a Slum and Blight or
27 Conservation Area as defined by this Act and that no interest
28 in Real Property in the proposed Development Area is to be
29 acquired because of the race, color, creed, national origin or
30 sex of any person owning or claiming any interest in that Real
31 Property.

32 (b) The Redevelopment of the Development Area in accordance
33 with the Development Plan is designed to effectuate the public
34 purposes declared in Section 2 of this Act.

35 (c) The Development Plan conforms to the zoning ordinances,
36 if any, applicable to the Development Area, and further

1 conforms to the official plan of the city, village or
2 incorporated town wherein the Development Area is located, or,
3 in the absence of such an official plan, to the plan, if any,
4 adopted by the Plan Commission, if any, of such city, village
5 or incorporated town as evidenced by a report on such adopted
6 plan prepared by such Plan Commission and on file with the
7 Redevelopment Commission.

8 (d) Public facilities, including, but not limited to, fire
9 and police protection, and recreation, are presently adequate,
10 or will be adequate at the time that the Development is ready
11 for use, to service the Development Area.

12 (e) The execution of the Development Plan will not cause
13 undue hardship to the families, if any, occupying dwelling
14 accommodations in the Development Area, to such a degree as to
15 outweigh the public use defined in Section 2 of this Act to be
16 achieved through the Redevelopment of such Development Area.

17 (f) The estimated Development Cost of the Development is
18 sufficient for the proposed Redevelopment.

19 (g) Other than in or for a Conservation Area, no portion,
20 greater by ten per centum in area, of the Development Area is
21 designed by the Development Plan for use other than residential
22 except in those instances wherein the Plan Commission, if any,
23 of the city, village or incorporated town concerned, has filed
24 with the Redevelopment Commission, pursuant to paragraph 1 of
25 Section 18 of this Act, an advisory report recommending a
26 greater portion by area than ten per centum, in which
27 instances, no portion, greater than that so recommended, of the
28 Development Area is designed by the Development Plan for use
29 other than residential.

30 (h) The conditions prescribed by paragraph 2 of this
31 Section have been fulfilled.

32 (4) No certificate of convenience and necessity shall be
33 issued by a Redevelopment Commission in St. Clair County
34 without the approval, by a majority vote, of the city council
35 or the board of trustees of the village or incorporated town,
36 as the case may be, in which the Development Area is located.

1 (Source: P.A. 81-266.)