

1 AN ACT concerning local government.

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

4 Section 5. The Special Assessment Supplemental Bond and
5 Procedures Act is amended by changing Sections 20, 45, and 55
6 and adding Section 65 as follows:

7 (50 ILCS 460/20)

8 Sec. 20. Additional costs allowed. In addition to and in
9 excess of all costs otherwise permitted to be assessed under
10 any special assessment law in any special assessment
11 proceeding, the governing body may in the special assessment
12 ordinance provide for the following additional amounts in the
13 assessment:

14 (a) an additional reserve, not to exceed 10% of the
15 amount of the bonds issued pursuant to this Act, as a
16 reserve for the payment of interest on or principal of
17 bonds when due in the event of nonpayment of any
18 assessments; provided however, the interest earnings, if
19 any, on the additional reserve shall be applied to the
20 next installment as a partial reduction of payment due;

21 (b) an amount for the payment of interest upon
22 bonds for a period not to exceed the greater of 2 years
23 or a period ending 6 months after the estimated date of
24 completion of the acquisition and construction of the
25 local improvement that is the subject of the special
26 assessment proceeding; and

27 (c) an amount for bond discount (the difference
28 between the face amount of a bond and the price at which
29 the bond is to be sold, exclusive of original issue
30 discount) not to exceed 4% of the total cost of the
31 improvement. The reserve provided for by clause (a) of

1 this Section shall be in addition to and in excess of any
2 other reserve otherwise permitted by special assessment
3 law including reserves for interest deficiencies. Any
4 additional cost or reserve to be included by authority of
5 this Section shall be expressly provided for in the
6 special assessment ordinance and shall further be
7 expressly stated in any engineer's estimate of cost
8 prepared in connection with a special assessment
9 ordinance as provided by a special assessment law.

10 (Source: P.A. 90-480, eff. 8-17-97.)

11 (50 ILCS 460/45)

12 Sec. 45. Bonds. In lieu of the issuance of vouchers or
13 bonds provided by a special assessment law, Supplemental Act
14 Assessment Bonds payable from the assessments made under a
15 special assessment proceeding may be issued under this
16 Section. Supplemental Act Assessment Bonds shall be issued
17 under the following terms and provisions:

18 (a) They shall be payable from the assessments made
19 under a special assessment proceeding and such other income
20 or revenues as may lawfully be pledged to the payment of such
21 bonds by a governmental unit.

22 (b) They may be issued in lieu of vouchers at any time
23 after the date of the judicial order of final confirmation of
24 the assessment roll and report. Special Assessment Bonds may
25 be issued prior to the expiration of the appeal period
26 provided for in the special assessment law and the issuer and
27 owners of such bonds may rely on any waiver of the statutory
28 appeal period executed by a municipality, county, or other
29 issuer of such bonds and the owners and parties interested in
30 land taken, damaged, or assessed therein, as conclusive
31 evidence of the non-appealability of the final judgment or
32 order. Parties interested in land taken, damaged, or assessed
33 for purposes of such waiver and appeal shall include only the

1 owners of record, mortgagees of record, lien holders of
 2 record, and contract purchasers of any land taken, damaged,
 3 or assessed ~~on-or-after-the-time-when-interest-begins-to-run~~
 4 ~~on--the--assessments--made---under---a---special---assessment~~
 5 ~~proceeding.~~

6 (c) They may be issued in an amount not to exceed the
 7 amount of the assessments confirmed in a special assessment
 8 proceeding less the principal amount of any assessments
 9 previously paid and less the principal amount of any vouchers
 10 that may have previously been issued.

11 (d) They may bear interest at any rate or rates not to
 12 exceed the rate or rates permitted by the Bond Authorization
 13 Act; provided, however, that such rate or rates shall not
 14 exceed the rate or rates provided for the unpaid installments
 15 of the assessments made under the special assessment
 16 proceeding.

17 (e) They may pay interest upon such date or dates either
 18 annually, semi-annually, monthly, weekly, or otherwise.

19 (f) They may be subject to redemption with or without
 20 premium upon such terms and provisions as may be provided by
 21 the governing body, including, without limitation, terms as
 22 to the order of redemption (numerical, pro-rata, by series,
 23 or otherwise) and as to the timing thereof.

24 (g) They shall be negotiable instruments under Illinois
 25 law.

26 (h) They may be made payable either serially or at term,
 27 or any combination thereof, in such order of preference,
 28 priority, lien position, or rank (including, without
 29 limitation, numerical, pro-rata, by series, or otherwise) and
 30 otherwise have any attributes permitted to bonds under the
 31 Local Government Debt Reform Act, as the governing body may
 32 provide.

33 (Source: P.A. 90-480, eff. 8-17-97.)

1 (50 ILCS 460/55)

2 Sec. 55. County clerk may collect. Pursuant to the
3 Illinois constitutional and statutory provisions relating to
4 intergovernmental cooperation, the county clerk of any county
5 in which property subject to a special assessment is located
6 may, but shall not be required to, agree to mail bills for a
7 special assessment with the regular tax bills of the county,
8 or otherwise as may be provided by a special assessment law.
9 If the clerk agrees to mail such bills with the regular tax
10 bills, then the annual amount due as of January 2 shall
11 become due instead in even installments with each tax bill
12 made during the year in which such January 2 date occurs,
13 thus deferring to later date in the year the obligation to
14 pay the assessments.

15 In the event that the county clerk does not agree to mail
16 such bills, or in the event that the municipality declines to
17 request the county clerk to mail said bills, the municipality
18 still may bill the annual amount due as of January 2 in 2
19 installments to become due on or about the due dates for the
20 real estate tax bills issued by the county clerk during the
21 year in which such January 2 date occurs, thus deferring to
22 later dates in said year the obligation to pay the assessment
23 installment.

24 In the event that the county clerk agrees to mail such
25 bills on behalf of a municipality, the county may charge a
26 fee for such services to be paid from the special assessment.
27 Such fee shall be considered as a cost of making, levying,
28 and collecting the assessment provided for in Section 9-2-139
29 of the Illinois Municipal Code.

30 (Source: P.A. 90-480, eff. 8-17-97.)

31 (50 ILCS 460/65 new)

32 Sec. 65. Rebates. If, after final settlement with the
33 contractor for any improvements, there is any surplus

1 remaining, the Board of Local Improvements shall declare a
2 surplus and rebate upon each lot, block, tract, or parcel of
3 land assessed the pro rata proportion of that surplus. The
4 Board of Local Improvements shall state which specific
5 assessment installments (including interest thereon) are
6 being reduced. If the Board of Local Improvements determines
7 these excess amounts have been collected for making, levying,
8 and collecting or for reserves for deficiencies, the
9 governing body can declare a surplus and credit such amount
10 to each lot, block, tract, or parcel of land assessed or a
11 pro rata proportion to the next installment as a partial
12 reduction of the payment due or, alternatively, may use such
13 surplus to retire bonds in any manner so determined.

14 Section 10. The Illinois Municipal Code is amended by
15 changing Section 9-2-9 as follows:

16 (65 ILCS 5/9-2-9) (from Ch. 24, par. 9-2-9)
17 Sec. 9-2-9. Preliminary procedure for local improvements
18 by special assessment. All ordinances for local improvements
19 to be paid for wholly or in part by special assessment or
20 special taxation shall originate with the board of local
21 improvements. Petitions for any local improvement shall be
22 addressed to that board. The board may originate a scheme for
23 any local improvement to be paid for by special assessment or
24 special tax, either with or without a petition, and in either
25 case shall adopt a resolution describing the proposed
26 improvement. This resolution may provide that specifications
27 for the proposed improvement be made part of the resolution
28 by reference to specifications previously adopted by
29 resolution by the municipality, or to specifications adopted
30 or published by the State of Illinois or a political
31 subdivision thereof, provided that a copy of the
32 specifications so adopted by reference is on file in the

1 office of the clerk of the municipality. This resolution
2 shall be at once transcribed into the records of the board.

3 The proposed local improvement may consist of the
4 acquisition of the necessary interests in real property and
5 the construction of any public improvement or any combination
6 of public improvements, including, but not limited to,
7 streets street, storm drain sewers sewer, water mains main,
8 er sanitary sewer improvements, sidewalks, walkways, bicycle
9 paths, landscaping, lighting improvements, signage
10 improvements, vehicular parking improvements, any additional
11 improvements necessary to provide access to the public
12 improvements, and all necessary and appurtenances, -er-any
13 combination-thereef, in a local contiguous area pursuant to a
14 single special assessment project, provided that in assessing
15 each lot, block, tract, and parcel of property, the
16 commissioner so assessing shall take into consideration
17 whether each lot, block, tract, or parcel is benefited by all
18 or only some of the improvements combined into the single
19 special assessment project. For purposes hereof, a local
20 contiguous area shall be defined as an area in which all of
21 the lots, blocks, tracts, or parcels located within the
22 boundaries thereof will be benefited by one or more of the
23 proposed improvements. The fact that more than one
24 improvement is being constructed as part of a single special
25 assessment project shall not be grounds for an objection by
26 an assessee to the special assessment proceeding in court.

27 Whenever the proposed improvement requires that private
28 or public property be taken or damaged, the resolution shall
29 describe the property proposed to be taken or damaged for
30 that purpose. The board, by the same resolution, shall fix a
31 day and hour for a public hearing thereon. The hearing shall
32 not be less than 10 days after the adoption of the
33 resolution. The board shall also have an estimate of the cost
34 of the improvement (omitting land to be acquired) made in

1 writing by the engineer of the board, (if there is an
2 engineer, if not, then by the president) over his signature.
3 This estimate shall be itemized to the satisfaction of the
4 board and shall be made a part of the record of the
5 resolution. However, such an estimate is not required in
6 municipalities having a population of 100,000 or more when
7 the proposed improvement consists only of taking or damaging
8 private or public property. And in cities and villages which
9 have adopted prior to the effective date of this Code or
10 which after the effective date of this Code adopt the
11 commission form of municipal government, the estimate of the
12 cost of the improvement, (omitting land to be acquired),
13 shall be made in writing by the public engineer if there is
14 one, of the city or village, if not, then by the mayor or
15 president of the city or village.

16 Notice of the time and place of the public hearing shall
17 be sent by mail directed to the person who paid the general
18 taxes for the last preceding year on each lot, block, tract,
19 or parcel of land fronting on the proposed improvement not
20 less than 5 days prior to the time set for the public
21 hearing. These notices shall contain (1) the substance of the
22 resolution adopted by the board, (2) when an estimate is
23 required by this Division 2 the estimate of the cost of the
24 proposed improvement, and (3) a notification that the extent,
25 nature, kind, character, and (when an estimate is required by
26 this article) the estimated cost of the proposed improvement
27 may be changed by the board at the public hearing thereon. If
28 upon the hearing the board deems the proposed improvement
29 desirable, it shall adopt a resolution and prepare and submit
30 an ordinance therefor. But in proceedings only for the
31 laying, building, constructing, or renewing of any sidewalk,
32 water service pipe, or house drain, no resolution, public
33 hearing, or preliminary proceedings leading up to the same
34 are necessary. In such proceedings the board may submit to

1 the corporate authorities an ordinance, together with its
2 recommendation and (when an estimate is required) the
3 estimated cost of the improvement, as made by the engineer.
4 Such proceedings shall have the same effect as though a
5 public hearing had been held thereon.

6 In the event that a local improvement is to be
7 constructed with the assistance of any agency of the Federal
8 government, or other governmental agency, the resolution of
9 the board of local improvements shall set forth that fact and
10 the estimate of cost shall set forth and indicate, in dollars
11 and cents, the estimated amount of assistance to be so
12 provided.

13 (Source: 90-480, eff. 8-17-97.)

14 Section 99. Effective date. This Act takes effect upon
15 becoming law, except that Section 10 takes effect on January
16 1, 2004.