

1 AN ACT concerning revenue.

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

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

6 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

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

11 (a) 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), "blighted area" shall have the meaning set forth in
15 this Section prior to that date.

16 On and after November 1, 1999, "blighted area" means any
17 improved or vacant area within the boundaries of a
18 redevelopment project area located within the territorial
19 limits of the municipality where:

20 (1) If improved, industrial, commercial, and
21 residential buildings or improvements are detrimental to
22 the public safety, health, or welfare because of a
23 combination of 5 or more of the following factors, each of
24 which is (i) present, with that presence documented, to a
25 meaningful extent so that a municipality may reasonably
26 find that the factor is clearly present within the intent
27 of the Act and (ii) reasonably distributed throughout the
28 improved part of the redevelopment project area:

29 (A) Dilapidation. An advanced state of disrepair
30 or neglect of necessary repairs to the primary
31 structural components of buildings or improvements in
32 such a combination that a documented building

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

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

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

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

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

28 (F) Excessive vacancies. The presence of buildings
29 that are unoccupied or under-utilized and that
30 represent an adverse influence on the area because of
31 the frequency, extent, or duration of the vacancies.

32 (G) Lack of ventilation, light, or sanitary
33 facilities. The absence of adequate ventilation for
34 light or air circulation in spaces or rooms without
35 windows, or that require the removal of dust, odor,
36 gas, smoke, or other noxious airborne materials.

1 Inadequate natural light and ventilation means the
2 absence of skylights or windows for interior spaces or
3 rooms and improper window sizes and amounts by room
4 area to window area ratios. Inadequate sanitary
5 facilities refers to the absence or inadequacy of
6 garbage storage and enclosure, bathroom facilities,
7 hot water and kitchens, and structural inadequacies
8 preventing ingress and egress to and from all rooms and
9 units within a building.

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

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

1 inadequate provision for loading and service.

2 (J) Deleterious land use or layout. The existence
3 of incompatible land-use relationships, buildings
4 occupied by inappropriate mixed-uses, or uses
5 considered to be noxious, offensive, or unsuitable for
6 the surrounding area.

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

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

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

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

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

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

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

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

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

36 (E) The area has incurred Illinois Environmental

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

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

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

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

36 (C) The area, prior to its designation, is subject

1 to (i) chronic flooding that adversely impacts on real
2 property in the area as certified by a registered
3 professional engineer or appropriate regulatory agency
4 or (ii) surface water that discharges from all or a
5 part of the area and contributes to flooding within the
6 same watershed, but only if the redevelopment project
7 provides for facilities or improvements to contribute
8 to the alleviation of all or part of the flooding.

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

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

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

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

33 On and after November 1, 1999, "conservation area" means
34 any improved area within the boundaries of a redevelopment
35 project area located within the territorial limits of the
36 municipality in which 50% or more of the structures in the area

1 have an age of 35 years or more. Such an area is not yet a
2 blighted area but because of a combination of 3 or more of the
3 following factors is detrimental to the public safety, health,
4 morals or welfare and such an area may become a blighted area:

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

12 (2) Obsolescence. The condition or process of falling
13 into disuse. Structures have become ill-suited for the
14 original use.

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

25 (4) Presence of structures below minimum code
26 standards. All structures that do not meet the standards of
27 zoning, subdivision, building, fire, and other
28 governmental codes applicable to property, but not
29 including housing and property maintenance codes.

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

34 (6) Excessive vacancies. The presence of buildings
35 that are unoccupied or under-utilized and that represent an
36 adverse influence on the area because of the frequency,

1 extent, or duration of the vacancies.

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

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

23 (9) Excessive land coverage and overcrowding of
24 structures and community facilities. The over-intensive
25 use of property and the crowding of buildings and accessory
26 facilities onto a site. Examples of problem conditions
27 warranting the designation of an area as one exhibiting
28 excessive land coverage are: the presence of buildings
29 either improperly situated on parcels or located on parcels
30 of inadequate size and shape in relation to present-day
31 standards of development for health and safety and the
32 presence of multiple buildings on a single parcel. For
33 there to be a finding of excessive land coverage, these
34 parcels must exhibit one or more of the following
35 conditions: insufficient provision for light and air
36 within or around buildings, increased threat of spread of

1 fire due to the close proximity of buildings, lack of
2 adequate or proper access to a public right-of-way, lack of
3 reasonably required off-street parking, or inadequate
4 provision for loading and service.

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

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

22 (12) The area has incurred Illinois Environmental
23 Protection Agency or United States Environmental
24 Protection Agency remediation costs for, or a study
25 conducted by an independent consultant recognized as
26 having expertise in environmental remediation has
27 determined a need for, the clean-up of hazardous waste,
28 hazardous substances, or underground storage tanks
29 required by State or federal law, provided that the
30 remediation costs constitute a material impediment to the
31 development or redevelopment of the redevelopment project
32 area.

33 (13) The total equalized assessed value of the proposed
34 redevelopment project area has declined for 3 of the last 5
35 calendar years for which information is available or is
36 increasing at an annual rate that is less than the balance

1 of the municipality for 3 of the last 5 calendar years for
2 which information is available or is increasing at an
3 annual rate that is less than the Consumer Price Index for
4 All Urban Consumers published by the United States
5 Department of Labor or successor agency for 3 of the last 5
6 calendar years for which information is available.

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

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

27 (e) "Labor surplus municipality" means a municipality in
28 which, at any time during the 6 months before the municipality
29 by ordinance designates an industrial park conservation area,
30 the unemployment rate was over 6% and was also 100% or more of
31 the national average unemployment rate for that same time as
32 published in the United States Department of Labor Bureau of
33 Labor Statistics publication entitled "The Employment
34 Situation" or its successor publication. For the purpose of
35 this subsection, if unemployment rate statistics for the
36 municipality are not available, the unemployment rate in the

1 municipality shall be deemed to be the same as the unemployment
2 rate in the principal county in which the municipality is
3 located.

4 (f) "Municipality" shall mean a city, village or
5 incorporated town.

6 (g) "Initial Sales Tax Amounts" means the amount of taxes
7 paid under the Retailers' Occupation Tax Act, Use Tax Act,
8 Service Use Tax Act, the Service Occupation Tax Act, the
9 Municipal Retailers' Occupation Tax Act, and the Municipal
10 Service Occupation Tax Act by retailers and servicemen on
11 transactions at places located in a State Sales Tax Boundary
12 during the calendar year 1985.

13 (g-1) "Revised Initial Sales Tax Amounts" means the amount
14 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
15 Act, Service Use Tax Act, the Service Occupation Tax Act, the
16 Municipal Retailers' Occupation Tax Act, and the Municipal
17 Service Occupation Tax Act by retailers and servicemen on
18 transactions at places located within the State Sales Tax
19 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

20 (h) "Municipal Sales Tax Increment" means an amount equal
21 to the increase in the aggregate amount of taxes paid to a
22 municipality from the Local Government Tax Fund arising from
23 sales by retailers and servicemen within the redevelopment
24 project area or State Sales Tax Boundary, as the case may be,
25 for as long as the redevelopment project area or State Sales
26 Tax Boundary, as the case may be, exist over and above the
27 aggregate amount of taxes as certified by the Illinois
28 Department of Revenue and paid under the Municipal Retailers'
29 Occupation Tax Act and the Municipal Service Occupation Tax Act
30 by retailers and servicemen, on transactions at places of
31 business located in the redevelopment project area or State
32 Sales Tax Boundary, as the case may be, during the base year
33 which shall be the calendar year immediately prior to the year
34 in which the municipality adopted tax increment allocation
35 financing. For purposes of computing the aggregate amount of
36 such taxes for base years occurring prior to 1985, the

1 Department of Revenue shall determine the Initial Sales Tax
2 Amounts for such taxes and deduct therefrom an amount equal to
3 4% of the aggregate amount of taxes per year for each year the
4 base year is prior to 1985, but not to exceed a total deduction
5 of 12%. The amount so determined shall be known as the
6 "Adjusted Initial Sales Tax Amounts". For purposes of
7 determining the Municipal Sales Tax Increment, the Department
8 of Revenue shall for each period subtract from the amount paid
9 to the municipality from the Local Government Tax Fund arising
10 from sales by retailers and servicemen on transactions located
11 in the redevelopment project area or the State Sales Tax
12 Boundary, as the case may be, the certified Initial Sales Tax
13 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
14 Initial Sales Tax Amounts for the Municipal Retailers'
15 Occupation Tax Act and the Municipal Service Occupation Tax
16 Act. For the State Fiscal Year 1989, this calculation shall be
17 made by utilizing the calendar year 1987 to determine the tax
18 amounts received. For the State Fiscal Year 1990, this
19 calculation shall be made by utilizing the period from January
20 1, 1988, until September 30, 1988, to determine the tax amounts
21 received from retailers and servicemen pursuant to the
22 Municipal Retailers' Occupation Tax and the Municipal Service
23 Occupation Tax Act, which shall have deducted therefrom
24 nine-twelfths of the certified Initial Sales Tax Amounts, the
25 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
26 Tax Amounts as appropriate. For the State Fiscal Year 1991,
27 this calculation shall be made by utilizing the period from
28 October 1, 1988, to June 30, 1989, to determine the tax amounts
29 received from retailers and servicemen pursuant to the
30 Municipal Retailers' Occupation Tax and the Municipal Service
31 Occupation Tax Act which shall have deducted therefrom
32 nine-twelfths of the certified Initial Sales Tax Amounts,
33 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
34 Tax Amounts as appropriate. For every State Fiscal Year
35 thereafter, the applicable period shall be the 12 months
36 beginning July 1 and ending June 30 to determine the tax

1 amounts received which shall have deducted therefrom the
2 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
3 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
4 case may be.

5 (i) "Net State Sales Tax Increment" means the sum of the
6 following: (a) 80% of the first \$100,000 of State Sales Tax
7 Increment annually generated within a State Sales Tax Boundary;
8 (b) 60% of the amount in excess of \$100,000 but not exceeding
9 \$500,000 of State Sales Tax Increment annually generated within
10 a State Sales Tax Boundary; and (c) 40% of all amounts in
11 excess of \$500,000 of State Sales Tax Increment annually
12 generated within a State Sales Tax Boundary. If, however, a
13 municipality established a tax increment financing district in
14 a county with a population in excess of 3,000,000 before
15 January 1, 1986, and the municipality entered into a contract
16 or issued bonds after January 1, 1986, but before December 31,
17 1986, to finance redevelopment project costs within a State
18 Sales Tax Boundary, then the Net State Sales Tax Increment
19 means, for the fiscal years beginning July 1, 1990, and July 1,
20 1991, 100% of the State Sales Tax Increment annually generated
21 within a State Sales Tax Boundary; and notwithstanding any
22 other provision of this Act, for those fiscal years the
23 Department of Revenue shall distribute to those municipalities
24 100% of their Net State Sales Tax Increment before any
25 distribution to any other municipality and regardless of
26 whether or not those other municipalities will receive 100% of
27 their Net State Sales Tax Increment. For Fiscal Year 1999, and
28 every year thereafter until the year 2007, for any municipality
29 that has not entered into a contract or has not issued bonds
30 prior to June 1, 1988 to finance redevelopment project costs
31 within a State Sales Tax Boundary, the Net State Sales Tax
32 Increment shall be calculated as follows: By multiplying the
33 Net State Sales Tax Increment by 90% in the State Fiscal Year
34 1999; 80% in the State Fiscal Year 2000; 70% in the State
35 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
36 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%

1 in the State Fiscal Year 2005; 20% in the State Fiscal Year
2 2006; and 10% in the State Fiscal Year 2007. No payment shall
3 be made for State Fiscal Year 2008 and thereafter.

4 Municipalities that issued bonds in connection with a
5 redevelopment project in a redevelopment project area within
6 the State Sales Tax Boundary prior to July 29, 1991, or that
7 entered into contracts in connection with a redevelopment
8 project in a redevelopment project area before June 1, 1988,
9 shall continue to receive their proportional share of the
10 Illinois Tax Increment Fund distribution until the date on
11 which the redevelopment project is completed or terminated. If,
12 however, a municipality that issued bonds in connection with a
13 redevelopment project in a redevelopment project area within
14 the State Sales Tax Boundary prior to July 29, 1991 retires the
15 bonds prior to June 30, 2007 or a municipality that entered
16 into contracts in connection with a redevelopment project in a
17 redevelopment project area before June 1, 1988 completes the
18 contracts prior to June 30, 2007, then so long as the
19 redevelopment project is not completed or is not terminated,
20 the Net State Sales Tax Increment shall be calculated,
21 beginning on the date on which the bonds are retired or the
22 contracts are completed, as follows: By multiplying the Net
23 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
24 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
25 2004; 30% in the State Fiscal Year 2005; 20% in the State
26 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
27 payment shall be made for State Fiscal Year 2008 and
28 thereafter. Refunding of any bonds issued prior to July 29,
29 1991, shall not alter the Net State Sales Tax Increment.

30 (j) "State Utility Tax Increment Amount" means an amount
31 equal to the aggregate increase in State electric and gas tax
32 charges imposed on owners and tenants, other than residential
33 customers, of properties located within the redevelopment
34 project area under Section 9-222 of the Public Utilities Act,
35 over and above the aggregate of such charges as certified by
36 the Department of Revenue and paid by owners and tenants, other

1 than residential customers, of properties within the
2 redevelopment project area during the base year, which shall be
3 the calendar year immediately prior to the year of the adoption
4 of the ordinance authorizing tax increment allocation
5 financing.

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

27 Municipalities that issue bonds in connection with the
28 redevelopment project during the period from June 1, 1988 until
29 3 years after the effective date of this Amendatory Act of 1988
30 shall receive the Net State Utility Tax Increment, subject to
31 appropriation, for 15 State Fiscal Years after the issuance of
32 such bonds. For the 16th through the 20th State Fiscal Years
33 after issuance of the bonds, the Net State Utility Tax
34 Increment shall be calculated as follows: By multiplying the
35 Net State Utility Tax Increment by 90% in year 16; 80% in year
36 17; 70% in year 18; 60% in year 19; and 50% in year 20.

1 Refunding of any bonds issued prior to June 1, 1988, shall not
2 alter the revised Net State Utility Tax Increment payments set
3 forth above.

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

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

20 (n) "Redevelopment plan" means the comprehensive program
21 of the municipality for development or redevelopment intended
22 by the payment of redevelopment project costs to reduce or
23 eliminate those conditions the existence of which qualified the
24 redevelopment project area as a "blighted area" or
25 "conservation area" or combination thereof or "industrial park
26 conservation area," and thereby to enhance the tax bases of the
27 taxing districts which extend into the redevelopment project
28 area. On and after November 1, 1999 (the effective date of
29 Public Act 91-478), no redevelopment plan may be approved or
30 amended that includes the development of vacant land (i) with a
31 golf course and related clubhouse and other facilities or (ii)
32 designated by federal, State, county, or municipal government
33 as public land for outdoor recreational activities or for
34 nature preserves and used for that purpose within 5 years prior
35 to the adoption of the redevelopment plan. For the purpose of
36 this subsection, "recreational activities" is limited to mean

1 camping and hunting. Each redevelopment plan shall set forth in
2 writing the program to be undertaken to accomplish the
3 objectives and shall include but not be limited to:

4 (A) an itemized list of estimated redevelopment
5 project costs;

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

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
27 description of the type, structure and general character of
28 the facilities to be developed, a description of the type,
29 class and number of new employees to be employed in the
30 operation of the facilities to be developed; and

31 (J) if property is to be annexed to the municipality,
32 the plan shall include the terms of the annexation
33 agreement.

34 The provisions of items (B) and (C) of this subsection (n)
35 shall not apply to a municipality that before March 14, 1994
36 (the effective date of Public Act 88-537) had fixed, either by

1 its corporate authorities or by a commission designated under
2 subsection (k) of Section 11-74.4-4, a time and place for a
3 public hearing as required by subsection (a) of Section
4 11-74.4-5. No redevelopment plan shall be adopted unless a
5 municipality complies with all of the following requirements:

6 (1) The municipality finds that the redevelopment
7 project area on the whole has not been subject to growth
8 and development through investment by private enterprise
9 and would not reasonably be anticipated to be developed
10 without the adoption of the redevelopment plan.

11 (2) The municipality finds that the redevelopment plan
12 and project conform to the comprehensive plan for the
13 development of the municipality as a whole, or, for
14 municipalities with a population of 100,000 or more,
15 regardless of when the redevelopment plan and project was
16 adopted, the redevelopment plan and project either: (i)
17 conforms to the strategic economic development or
18 redevelopment plan issued by the designated planning
19 authority of the municipality, or (ii) includes land uses
20 that have been approved by the planning commission of the
21 municipality.

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

1 after the year in which the ordinance approving the
2 redevelopment project area is adopted:

3 (A) if the ordinance was adopted before January 15,
4 1981, or

5 (B) if the ordinance was adopted in December 1983,
6 April 1984, July 1985, or December 1989, or

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

10 (D) if the ordinance was adopted before January 1,
11 1987 by a municipality in Mason County, or

12 (E) if the municipality is subject to the Local
13 Government Financial Planning and Supervision Act or
14 the Financially Distressed City Law, or

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

17 (G) if the ordinance was adopted on December 31,
18 1986 by a municipality located in Clinton County for
19 which at least \$250,000 of tax increment bonds were
20 authorized on June 17, 1997, or if the ordinance was
21 adopted on December 31, 1986 by a municipality with a
22 population in 1990 of less than 3,600 that is located
23 in a county with a population in 1990 of less than
24 34,000 and for which at least \$250,000 of tax increment
25 bonds were authorized on June 17, 1997, or

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

29 (I) if the ordinance was adopted on November 12,
30 1991 by the Village of Sauget, or

31 (J) if the ordinance was adopted on February 11,
32 1985 by the City of Rock Island, or

33 (K) if the ordinance was adopted before December
34 18, 1986 by the City of Moline, or

35 (L) if the ordinance was adopted in September 1988
36 by Sauk Village, or

1 (M) if the ordinance was adopted in October 1993 by
2 Sauk Village, or

3 (N) if the ordinance was adopted on December 29,
4 1986 by the City of Galva, or

5 (O) if the ordinance was adopted in March 1991 by
6 the City of Centreville, or

7 (P) if the ordinance was adopted on January 23,
8 1991 by the City of East St. Louis, or

9 (Q) if the ordinance was adopted on December 22,
10 1986 by the City of Aledo, or

11 (R) if the ordinance was adopted on February 5,
12 1990 by the City of Clinton, or

13 (S) if the ordinance was adopted on September 6,
14 1994 by the City of Freeport, or

15 (T) if the ordinance was adopted on December 22,
16 1986 by the City of Tuscola, or

17 (U) if the ordinance was adopted on December 23,
18 1986 by the City of Sparta, or

19 (V) if the ordinance was adopted on December 23,
20 1986 by the City of Beardstown, or

21 (W) if the ordinance was adopted on April 27, 1981,
22 October 21, 1985, or December 30, 1986 by the City of
23 Belleville, or

24 (X) if the ordinance was adopted on December 29,
25 1986 by the City of Collinsville, or

26 (Y) if the ordinance was adopted on September 14,
27 1994 by the City of Alton, or

28 (Z) if the ordinance was adopted on November 11,
29 1996 by the City of Lexington, or

30 (AA) if the ordinance was adopted on November 5,
31 1984 by the City of LeRoy, or

32 (BB) if the ordinance was adopted on April 3, 1991
33 or June 3, 1992 by the City of Markham, or

34 (CC) if the ordinance was adopted on November 11,
35 1986 by the City of Pekin, or

36 (DD) ~~(CC)~~ if the ordinance was adopted on December

1 15, 1981 by the City of Champaign, or
2 (EE) ~~(CC)~~ if the ordinance was adopted on December
3 15, 1986 by the City of Urbana, or
4 (FF) ~~(CC)~~ if the ordinance was adopted on December
5 15, 1986 by the Village of Heyworth, or
6 (GG) ~~(CC)~~ if the ordinance was adopted on February
7 24, 1992 by the Village of Heyworth, or
8 (HH) ~~(CC)~~ if the ordinance was adopted on March 16,
9 1995 by the Village of Heyworth, or
10 (II) ~~(CC)~~ if the ordinance was adopted on December
11 23, 1986 by the Town of Cicero, or
12 (JJ) ~~(CC)~~ if the ordinance was adopted on December
13 30, 1986 by the City of Effingham, or
14 (KK) ~~(CC)~~ if the ordinance was adopted on May 9,
15 1991 by the Village of Tilton, or
16 (LL) ~~(CC)~~ if the ordinance was adopted on October
17 20, 1986 by the City of Elmhurst, or
18 (MM) ~~(CC)~~ if the ordinance was adopted on January
19 19, 1988 by the City of Waukegan, or
20 (NN) ~~(DD)~~ if the ordinance was adopted on September
21 21, 1998 by the City of Waukegan, or
22 (OO) if the ordinance was adopted on July 28, 1987
23 by the City of Marion, or
24 (PP) if the ordinance was adopted on April 23, 1990
25 by the City of Marion.

26 However, for redevelopment project areas for which
27 bonds were issued before July 29, 1991, or for which
28 contracts were entered into before June 1, 1988, in
29 connection with a redevelopment project in the area within
30 the State Sales Tax Boundary, the estimated dates of
31 completion of the redevelopment project and retirement of
32 obligations to finance redevelopment project costs may be
33 extended by municipal ordinance to December 31, 2013. The
34 termination procedures of subsection (b) of Section
35 11-74.4-8 are not required for these redevelopment project
36 areas in 2009 but are required in 2013. The extension

1 allowed by this amendatory Act of 1993 shall not apply to
2 real property tax increment allocation financing under
3 Section 11-74.4-8.

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

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

25 Those dates, for purposes of real property tax
26 increment allocation financing pursuant to Section
27 11-74.4-8 only, shall be not more than 35 years for
28 redevelopment project areas that were established on or
29 after December 1, 1981 but before January 1, 1982 and for
30 which at least \$1,500,000 worth of tax increment revenue
31 bonds were authorized on or after September 30, 1990 but
32 before July 1, 1991; provided that the municipality elects
33 to extend the life of the redevelopment project area to 35
34 years by the adoption of an ordinance after at least 14 but
35 not more than 30 days' written notice to the taxing bodies,
36 that would otherwise constitute the joint review board for

1 the redevelopment project area, before the adoption of the
2 ordinance.

3 (3.5) The municipality finds, in the case of an
4 industrial park conservation area, also that the
5 municipality is a labor surplus municipality and that the
6 implementation of the redevelopment plan will reduce
7 unemployment, create new jobs and by the provision of new
8 facilities enhance the tax base of the taxing districts
9 that extend into the redevelopment project area.

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

19 (5) If the redevelopment plan will not result in
20 displacement of residents from 10 or more inhabited
21 residential units, and the municipality certifies in the
22 plan that such displacement will not result from the plan,
23 a housing impact study need not be performed. If, however,
24 the 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
27 inhabited residential units and no certification is made,
28 then the municipality shall prepare, as part of the
29 separate feasibility report required by subsection (a) of
30 Section 11-74.4-5, a housing impact study.

31 Part I of the housing impact study shall include (i)
32 data as to whether the residential units are single family
33 or multi-family units, (ii) the number and type of rooms
34 within the units, if that information is available, (iii)
35 whether the units are inhabited or uninhabited, as
36 determined not less than 45 days before the date that the

1 ordinance or resolution required by subsection (a) of
2 Section 11-74.4-5 is passed, and (iv) data as to the racial
3 and ethnic composition of the residents in the inhabited
4 residential units. The data requirement as to the racial
5 and ethnic composition of the residents in the inhabited
6 residential units shall be deemed to be fully satisfied by
7 data from the most recent federal census.

8 Part II of the housing impact study shall identify the
9 inhabited residential units in the proposed redevelopment
10 project area that are to be or may be removed. If inhabited
11 residential units are to be removed, then the housing
12 impact study shall identify (i) the number and location of
13 those units that will or may be removed, (ii) the
14 municipality's plans for relocation assistance for those
15 residents in the proposed redevelopment project area whose
16 residences are to be removed, (iii) the availability of
17 replacement housing for those residents whose residences
18 are to be removed, and shall identify the type, location,
19 and cost of the housing, and (iv) the type and extent of
20 relocation assistance to be provided.

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

24 (7) On and after November 1, 1999, no redevelopment
25 plan shall be adopted, nor an existing plan amended, nor
26 shall residential housing that is occupied by households of
27 low-income and very low-income persons in currently
28 existing redevelopment project areas be removed after
29 November 1, 1999 unless the redevelopment plan provides,
30 with respect to inhabited housing units that are to be
31 removed for households of low-income and very low-income
32 persons, affordable housing and relocation assistance not
33 less than that which would be provided under the federal
34 Uniform Relocation Assistance and Real Property
35 Acquisition Policies Act of 1970 and the regulations under
36 that Act, including the eligibility criteria. Affordable

1 housing may be either existing or newly constructed
2 housing. For purposes of this paragraph (7), "low-income
3 households", "very low-income households", and "affordable
4 housing" have the meanings set forth in the Illinois
5 Affordable Housing Act. The municipality shall make a good
6 faith effort to ensure that this affordable housing is
7 located in or near the redevelopment project area within
8 the municipality.

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

16 (9) For redevelopment project areas designated prior
17 to November 1, 1999, the redevelopment plan may be amended
18 without further joint review board meeting or hearing,
19 provided that the municipality shall give notice of any
20 such changes by mail to each affected taxing district and
21 registrant on the interested party registry, to authorize
22 the municipality to expend tax increment revenues for
23 redevelopment project costs defined by paragraphs (5) and
24 (7.5), subparagraphs (E) and (F) of paragraph (11), and
25 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so
26 long as the changes do not increase the total estimated
27 redevelopment project costs set out in the redevelopment
28 plan by more than 5% after adjustment for inflation from
29 the date the plan was adopted.

30 (o) "Redevelopment project" means any public and private
31 development project in furtherance of the objectives of a
32 redevelopment plan. On and after November 1, 1999 (the
33 effective date of Public Act 91-478), no redevelopment plan may
34 be approved or amended that includes the development of vacant
35 land (i) with a golf course and related clubhouse and other
36 facilities or (ii) designated by federal, State, county, or

1 municipal government as public land for outdoor recreational
2 activities or for nature preserves and used for that purpose
3 within 5 years prior to the adoption of the redevelopment plan.
4 For the purpose of this subsection, "recreational activities"
5 is limited to mean camping and hunting.

6 (p) "Redevelopment project area" means an area designated
7 by the municipality, which is not less in the aggregate than 1
8 1/2 acres and in respect to which the municipality has made a
9 finding that there exist conditions which cause the area to be
10 classified as an industrial park conservation area or a
11 blighted area or a conservation area, or a combination of both
12 blighted areas and conservation areas.

13 (q) "Redevelopment project costs" mean and include the sum
14 total of all reasonable or necessary costs incurred or
15 estimated to be incurred, and any such costs incidental to a
16 redevelopment plan and a redevelopment project. Such costs
17 include, without limitation, the following:

18 (1) Costs of studies, surveys, development of plans,
19 and specifications, implementation and administration of
20 the redevelopment plan including but not limited to staff
21 and professional service costs for architectural,
22 engineering, legal, financial, planning or other services,
23 provided however that no charges for professional services
24 may be based on a percentage of the tax increment
25 collected; except that on and after November 1, 1999 (the
26 effective date of Public Act 91-478), no contracts for
27 professional services, excluding architectural and
28 engineering services, may be entered into if the terms of
29 the contract extend beyond a period of 3 years. In
30 addition, "redevelopment project costs" shall not include
31 lobbying expenses. After consultation with the
32 municipality, each tax increment consultant or advisor to a
33 municipality that plans to designate or has designated a
34 redevelopment project area shall inform the municipality
35 in writing of any contracts that the consultant or advisor
36 has entered into with entities or individuals that have

1 received, or are receiving, payments financed by tax
2 increment revenues produced by the redevelopment project
3 area with respect to which the consultant or advisor has
4 performed, or will be performing, service for the
5 municipality. This requirement shall be satisfied by the
6 consultant or advisor before the commencement of services
7 for the municipality and thereafter whenever any other
8 contracts with those individuals or entities are executed
9 by the consultant or advisor;

10 (1.5) After July 1, 1999, annual administrative costs
11 shall not include general overhead or administrative costs
12 of the municipality that would still have been incurred by
13 the municipality if the municipality had not designated a
14 redevelopment project area or approved a redevelopment
15 plan;

16 (1.6) The cost of marketing sites within the
17 redevelopment project area to prospective businesses,
18 developers, and investors;

19 (2) Property assembly costs, including but not limited
20 to acquisition of land and other property, real or
21 personal, or rights or interests therein, demolition of
22 buildings, site preparation, site improvements that serve
23 as an engineered barrier addressing ground level or below
24 ground environmental contamination, including, but not
25 limited to parking lots and other concrete or asphalt
26 barriers, and the clearing and grading of land;

27 (3) Costs of rehabilitation, reconstruction or repair
28 or remodeling of existing public or private buildings,
29 fixtures, and leasehold improvements; and the cost of
30 replacing an existing public building if pursuant to the
31 implementation of a redevelopment project the existing
32 public building is to be demolished to use the site for
33 private investment or devoted to a different use requiring
34 private investment;

35 (4) Costs of the construction of public works or
36 improvements, except that on and after November 1, 1999,

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

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

22 (6) Financing costs, including but not limited to all
23 necessary and incidental expenses related to the issuance
24 of obligations and which may include payment of interest on
25 any obligations issued hereunder including interest
26 accruing during the estimated period of construction of any
27 redevelopment project for which such obligations are
28 issued and for not exceeding 36 months thereafter and
29 including reasonable reserves related thereto;

30 (7) To the extent the municipality by written agreement
31 accepts and approves the same, all or a portion of a taxing
32 district's capital costs resulting from the redevelopment
33 project necessarily incurred or to be incurred within a
34 taxing district in furtherance of the objectives of the
35 redevelopment plan and project.

36 (7.5) For redevelopment project areas designated (or

1 redevelopment project areas amended to add or increase the
2 number of tax-increment-financing assisted housing units)
3 on or after November 1, 1999, an elementary, secondary, or
4 unit school district's increased costs attributable to
5 assisted housing units located within the redevelopment
6 project area for which the developer or redeveloper
7 receives financial assistance through an agreement with
8 the municipality or because the municipality incurs the
9 cost of necessary infrastructure improvements within the
10 boundaries of the assisted housing sites necessary for the
11 completion of that housing as authorized by this Act, and
12 which costs shall be paid by the municipality from the
13 Special Tax Allocation Fund when the tax increment revenue
14 is received as a result of the assisted housing units and
15 shall be calculated annually as follows:

16 (A) for foundation districts, excluding any school
17 district in a municipality with a population in excess
18 of 1,000,000, by multiplying the district's increase
19 in attendance resulting from the net increase in new
20 students enrolled in that school district who reside in
21 housing units within the redevelopment project area
22 that have received financial assistance through an
23 agreement with the municipality or because the
24 municipality incurs the cost of necessary
25 infrastructure improvements within the boundaries of
26 the housing sites necessary for the completion of that
27 housing as authorized by this Act since the designation
28 of the redevelopment project area by the most recently
29 available per capita tuition cost as defined in Section
30 10-20.12a of the School Code less any increase in
31 general State aid as defined in Section 18-8.05 of the
32 School Code attributable to these added new students
33 subject to the following annual limitations:

34 (i) for unit school districts with a district
35 average 1995-96 Per Capita Tuition Charge of less
36 than \$5,900, no more than 25% of the total amount

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

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

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

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

1 (i) for unit school districts, no more than 40%
2 of the total amount of property tax increment
3 revenue produced by those housing units that have
4 received tax increment finance assistance under
5 this Act;

6 (ii) for elementary school districts, no more
7 than 27% of the total amount of property tax
8 increment revenue produced by those housing units
9 that have received tax increment finance
10 assistance under this Act; and

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

16 (C) For any school district in a municipality with
17 a population in excess of 1,000,000, the following
18 restrictions shall apply to the reimbursement of
19 increased costs under this paragraph (7.5):

20 (i) no increased costs shall be reimbursed
21 unless the school district certifies that each of
22 the schools affected by the assisted housing
23 project is at or over its student capacity;

24 (ii) the amount reimbursable shall be reduced
25 by the value of any land donated to the school
26 district by the municipality or developer, and by
27 the value of any physical improvements made to the
28 schools by the municipality or developer; and

29 (iii) the amount reimbursed may not affect
30 amounts otherwise obligated by the terms of any
31 bonds, notes, or other funding instruments, or the
32 terms of any redevelopment agreement.

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

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

13 (7.7) 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 January 1, 2005 (the effective date of Public
17 Act 93-961) ~~this amendatory Act of the 93rd General~~
18 ~~Assembly~~, a public library district's increased costs
19 attributable to assisted housing units located within the
20 redevelopment project area for which the developer or
21 redeveloper receives financial assistance through an
22 agreement with the municipality or because the
23 municipality incurs the cost of necessary infrastructure
24 improvements within the boundaries of the assisted housing
25 sites necessary for the completion of that housing as
26 authorized by this Act shall be paid to the library
27 district by the municipality from the Special Tax
28 Allocation Fund when the tax increment revenue is received
29 as a result of the assisted housing units. This paragraph
30 (7.7) applies only if (i) the library district is located
31 in a county that is subject to the Property Tax Extension
32 Limitation Law or (ii) the library district is not located
33 in a county that is subject to the Property Tax Extension
34 Limitation Law but the district is prohibited by any other
35 law from increasing its tax levy rate without a prior voter
36 referendum.

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

24 A library district is not eligible for any payment
25 under this paragraph (7.7) unless the library district has
26 experienced an increase in the number of patrons from the
27 municipality that created the tax-increment-financing
28 district since the designation of the redevelopment
29 project area.

30 Any library district seeking payment under this
31 paragraph (7.7) shall, after July 1 and before September 30
32 of each year, provide the municipality with convincing
33 evidence to support its claim for reimbursement before the
34 municipality shall be required to approve or make the
35 payment to the library district. If the library district
36 fails to provide the information during this period in any

1 year, it shall forfeit any claim to reimbursement for that
2 year. Library districts may adopt a resolution waiving the
3 right to all or a portion of the reimbursement otherwise
4 required by this paragraph (7.7). By acceptance of such
5 reimbursement, the library district shall forfeit any
6 right to directly or indirectly set aside, modify, or
7 contest in any manner whatsoever the establishment of the
8 redevelopment project area or projects;

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

14 (9) Payment in lieu of taxes;

15 (10) Costs of job training, retraining, advanced
16 vocational education or career education, including but
17 not limited to courses in occupational, semi-technical or
18 technical fields leading directly to employment, incurred
19 by one or more taxing districts, provided that such costs
20 (i) are related to the establishment and maintenance of
21 additional job training, advanced vocational education or
22 career education programs for persons employed or to be
23 employed by employers located in a redevelopment project
24 area; and (ii) when incurred by a taxing district or taxing
25 districts other than the municipality, are set forth in a
26 written agreement by or among the municipality and the
27 taxing district or taxing districts, which agreement
28 describes the program to be undertaken, including but not
29 limited to the number of employees to be trained, a
30 description of the training and services to be provided,
31 the number and type of positions available or to be
32 available, itemized costs of the program and sources of
33 funds to pay for the same, and the term of the agreement.
34 Such costs include, specifically, the payment by community
35 college districts of costs pursuant to Sections 3-37, 3-38,
36 3-40 and 3-40.1 of the Public Community College Act and by

1 school districts of costs pursuant to Sections 10-22.20a
2 and 10-23.3a of The School Code;

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

6 (A) such costs are to be paid directly from the
7 special tax allocation fund established pursuant to
8 this Act;

9 (B) such payments in any one year may not exceed
10 30% of the annual interest costs incurred by the
11 redeveloper with regard to the redevelopment project
12 during that year;

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

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

25 (E) the cost limits set forth in subparagraphs (B)
26 and (D) of paragraph (11) shall be modified for the
27 financing of rehabilitated or new housing units for
28 low-income households and very low-income households,
29 as defined in Section 3 of the Illinois Affordable
30 Housing Act. The percentage of 75% shall be substituted
31 for 30% in subparagraphs (B) and (D) of paragraph (11).

32 (F) Instead of the eligible costs provided by
33 subparagraphs (B) and (D) of paragraph (11), as
34 modified by this subparagraph, and notwithstanding any
35 other provisions of this Act to the contrary, the
36 municipality may pay from tax increment revenues up to

1 50% of the cost of construction of new housing units to
2 be occupied by low-income households and very
3 low-income households as defined in Section 3 of the
4 Illinois Affordable Housing Act. The cost of
5 construction of those units may be derived from the
6 proceeds of bonds issued by the municipality under this
7 Act or other constitutional or statutory authority or
8 from other sources of municipal revenue that may be
9 reimbursed from tax increment revenues or the proceeds
10 of bonds issued to finance the construction of that
11 housing.

12 The eligible costs provided under this
13 subparagraph (F) of paragraph (11) shall be an eligible
14 cost for the construction, renovation, and
15 rehabilitation of all low and very low-income housing
16 units, as defined in Section 3 of the Illinois
17 Affordable Housing Act, within the redevelopment
18 project area. If the low and very low-income units are
19 part of a residential redevelopment project that
20 includes units not affordable to low and very
21 low-income households, only the low and very
22 low-income units shall be eligible for benefits under
23 subparagraph (F) of paragraph (11). The standards for
24 maintaining the occupancy by low-income households and
25 very low-income households, as defined in Section 3 of
26 the Illinois Affordable Housing Act, of those units
27 constructed with eligible costs made available under
28 the provisions of this subparagraph (F) of paragraph
29 (11) shall be established by guidelines adopted by the
30 municipality. The responsibility for annually
31 documenting the initial occupancy of the units by
32 low-income households and very low-income households,
33 as defined in Section 3 of the Illinois Affordable
34 Housing Act, shall be that of the then current owner of
35 the property. For ownership units, the guidelines will
36 provide, at a minimum, for a reasonable recapture of

1 funds, or other appropriate methods designed to
2 preserve the original affordability of the ownership
3 units. For rental units, the guidelines will provide,
4 at a minimum, for the affordability of rent to low and
5 very low-income households. As units become available,
6 they shall be rented to income-eligible tenants. The
7 municipality may modify these guidelines from time to
8 time; the guidelines, however, shall be in effect for
9 as long as tax increment revenue is being used to pay
10 for costs associated with the units or for the
11 retirement of bonds issued to finance the units or for
12 the life of the redevelopment project area, whichever
13 is later.

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

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

33 (13) After November 1, 1999 (the effective date of
34 Public Act 91-478), none of the redevelopment project costs
35 enumerated in this subsection shall be eligible
36 redevelopment project costs if those costs would provide

1 direct financial support to a retail entity initiating
2 operations in the redevelopment project area while
3 terminating operations at another Illinois location within
4 10 miles of the redevelopment project area but outside the
5 boundaries of the redevelopment project area municipality.
6 For purposes of this paragraph, termination means a closing
7 of a retail operation that is directly related to the
8 opening of the same operation or like retail entity owned
9 or operated by more than 50% of the original ownership in a
10 redevelopment project area, but it does not mean closing an
11 operation for reasons beyond the control of the retail
12 entity, as documented by the retail entity, subject to a
13 reasonable finding by the municipality that the current
14 location contained inadequate space, had become
15 economically obsolete, or was no longer a viable location
16 for the retailer or serviceman.

17 If a special service area has been established pursuant to
18 the Special Service Area Tax Act or Special Service Area Tax
19 Law, then any tax increment revenues derived from the tax
20 imposed pursuant to the Special Service Area Tax Act or Special
21 Service Area Tax Law may be used within the redevelopment
22 project area for the purposes permitted by that Act or Law as
23 well as the purposes permitted by this Act.

24 (r) "State Sales Tax Boundary" means the redevelopment
25 project area or the amended redevelopment project area
26 boundaries which are determined pursuant to subsection (9) of
27 Section 11-74.4-8a of this Act. The Department of Revenue shall
28 certify pursuant to subsection (9) of Section 11-74.4-8a the
29 appropriate boundaries eligible for the determination of State
30 Sales Tax Increment.

31 (s) "State Sales Tax Increment" means an amount equal to
32 the increase in the aggregate amount of taxes paid by retailers
33 and servicemen, other than retailers and servicemen subject to
34 the Public Utilities Act, on transactions at places of business
35 located within a State Sales Tax Boundary pursuant to the
36 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use

1 Tax Act, and the Service Occupation Tax Act, except such
2 portion of such increase that is paid into the State and Local
3 Sales Tax Reform Fund, the Local Government Distributive Fund,
4 the Local Government Tax Fund and the County and Mass Transit
5 District Fund, for as long as State participation exists, over
6 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
7 Tax Amounts or the Revised Initial Sales Tax Amounts for such
8 taxes as certified by the Department of Revenue and paid under
9 those Acts by retailers and servicemen on transactions at
10 places of business located within the State Sales Tax Boundary
11 during the base year which shall be the calendar year
12 immediately prior to the year in which the municipality adopted
13 tax increment allocation financing, less 3.0% of such amounts
14 generated under the Retailers' Occupation Tax Act, Use Tax Act
15 and Service Use Tax Act and the Service Occupation Tax Act,
16 which sum shall be appropriated to the Department of Revenue to
17 cover its costs of administering and enforcing this Section.
18 For purposes of computing the aggregate amount of such taxes
19 for base years occurring prior to 1985, the Department of
20 Revenue shall compute the Initial Sales Tax Amount for such
21 taxes and deduct therefrom an amount equal to 4% of the
22 aggregate amount of taxes per year for each year the base year
23 is prior to 1985, but not to exceed a total deduction of 12%.
24 The amount so determined shall be known as the "Adjusted
25 Initial Sales Tax Amount". For purposes of determining the
26 State Sales Tax Increment the Department of Revenue shall for
27 each period subtract from the tax amounts received from
28 retailers and servicemen on transactions located in the State
29 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
30 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
31 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
32 the Service Use Tax Act and the Service Occupation Tax Act. For
33 the State Fiscal Year 1989 this calculation shall be made by
34 utilizing the calendar year 1987 to determine the tax amounts
35 received. For the State Fiscal Year 1990, this calculation
36 shall be made by utilizing the period from January 1, 1988,

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

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

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

31 (v) As used in subsection (a) of Section 11-74.4-3 of this
32 Act, "vacant land" means any parcel or combination of parcels
33 of real property without industrial, commercial, and
34 residential buildings which has not been used for commercial
35 agricultural purposes within 5 years prior to the designation
36 of the redevelopment project area, unless the parcel is

1 included in an industrial park conservation area or the parcel
2 has been subdivided; provided that if the parcel was part of a
3 larger tract that has been divided into 3 or more smaller
4 tracts that were accepted for recording during the period from
5 1950 to 1990, then the parcel shall be deemed to have been
6 subdivided, and all proceedings and actions of the municipality
7 taken in that connection with respect to any previously
8 approved or designated redevelopment project area or amended
9 redevelopment project area are hereby validated and hereby
10 declared to be legally sufficient for all purposes of this Act.
11 For purposes of this Section and only for land subject to the
12 subdivision requirements of the Plat Act, land is subdivided
13 when the original plat of the proposed Redevelopment Project
14 Area or relevant portion thereof has been properly certified,
15 acknowledged, approved, and recorded or filed in accordance
16 with the Plat Act and a preliminary plat, if any, for any
17 subsequent phases of the proposed Redevelopment Project Area or
18 relevant portion thereof has been properly approved and filed
19 in accordance with the applicable ordinance of the
20 municipality.

21 (w) "Annual Total Increment" means the sum of each
22 municipality's annual Net Sales Tax Increment and each
23 municipality's annual Net Utility Tax Increment. The ratio of
24 the Annual Total Increment of each municipality to the Annual
25 Total Increment for all municipalities, as most recently
26 calculated by the Department, shall determine the proportional
27 shares of the Illinois Tax Increment Fund to be distributed to
28 each municipality.

29 (Source: P.A. 92-263, eff. 8-7-01; 92-406, eff. 1-1-02; 92-624,
30 eff. 7-11-02; 92-651, eff. 7-11-02; 93-298, eff. 7-23-03;
31 93-708, eff. 1-1-05; 93-747, eff. 7-15-04; 93-924, eff.
32 8-12-04; 93-961, eff. 1-1-05; 93-983, eff. 8-23-04; 93-984,
33 eff. 8-23-04; 93-985, eff. 8-23-04; 93-986, eff. 8-23-04;
34 93-987, eff. 8-23-04; 93-995, eff. 8-23-04; 93-1024, eff.
35 8-25-04; 93-1076, eff. 1-18-05; revised 1-25-05.)

1 (65 ILCS 5/11-74.4-7) (from Ch. 24, par. 11-74.4-7)

2 Sec. 11-74.4-7. Obligations secured by the special tax
3 allocation fund set forth in Section 11-74.4-8 for the
4 redevelopment project area may be issued to provide for
5 redevelopment project costs. Such obligations, when so issued,
6 shall be retired in the manner provided in the ordinance
7 authorizing the issuance of such obligations by the receipts of
8 taxes levied as specified in Section 11-74.4-9 against the
9 taxable property included in the area, by revenues as specified
10 by Section 11-74.4-8a and other revenue designated by the
11 municipality. A municipality may in the ordinance pledge all or
12 any part of the funds in and to be deposited in the special tax
13 allocation fund created pursuant to Section 11-74.4-8 to the
14 payment of the redevelopment project costs and obligations. Any
15 pledge of funds in the special tax allocation fund shall
16 provide for distribution to the taxing districts and to the
17 Illinois Department of Revenue of moneys not required, pledged,
18 earmarked, or otherwise designated for payment and securing of
19 the obligations and anticipated redevelopment project costs
20 and such excess funds shall be calculated annually and deemed
21 to be "surplus" funds. In the event a municipality only applies
22 or pledges a portion of the funds in the special tax allocation
23 fund for the payment or securing of anticipated redevelopment
24 project costs or of obligations, any such funds remaining in
25 the special tax allocation fund after complying with the
26 requirements of the application or pledge, shall also be
27 calculated annually and deemed "surplus" funds. All surplus
28 funds in the special tax allocation fund shall be distributed
29 annually within 180 days after the close of the municipality's
30 fiscal year by being paid by the municipal treasurer to the
31 County Collector, to the Department of Revenue and to the
32 municipality in direct proportion to the tax incremental
33 revenue received as a result of an increase in the equalized
34 assessed value of property in the redevelopment project area,
35 tax incremental revenue received from the State and tax
36 incremental revenue received from the municipality, but not to

1 exceed as to each such source the total incremental revenue
2 received from that source. The County Collector shall
3 thereafter make distribution to the respective taxing
4 districts in the same manner and proportion as the most recent
5 distribution by the county collector to the affected districts
6 of real property taxes from real property in the redevelopment
7 project area.

8 Without limiting the foregoing in this Section, the
9 municipality may in addition to obligations secured by the
10 special tax allocation fund pledge for a period not greater
11 than the term of the obligations towards payment of such
12 obligations any part or any combination of the following: (a)
13 net revenues of all or part of any redevelopment project; (b)
14 taxes levied and collected on any or all property in the
15 municipality; (c) the full faith and credit of the
16 municipality; (d) a mortgage on part or all of the
17 redevelopment project; or (e) any other taxes or anticipated
18 receipts that the municipality may lawfully pledge.

19 Such obligations may be issued in one or more series
20 bearing interest at such rate or rates as the corporate
21 authorities of the municipality shall determine by ordinance.
22 Such obligations shall bear such date or dates, mature at such
23 time or times not exceeding 20 years from their respective
24 dates, be in such denomination, carry such registration
25 privileges, be executed in such manner, be payable in such
26 medium of payment at such place or places, contain such
27 covenants, terms and conditions, and be subject to redemption
28 as such ordinance shall provide. Obligations issued pursuant to
29 this Act may be sold at public or private sale at such price as
30 shall be determined by the corporate authorities of the
31 municipalities. No referendum approval of the electors shall be
32 required as a condition to the issuance of obligations pursuant
33 to this Division except as provided in this Section.

34 In the event the municipality authorizes issuance of
35 obligations pursuant to the authority of this Division secured
36 by the full faith and credit of the municipality, which

1 obligations are other than obligations which may be issued
2 under home rule powers provided by Article VII, Section 6 of
3 the Illinois Constitution, or pledges taxes pursuant to (b) or
4 (c) of the second paragraph of this section, the ordinance
5 authorizing the issuance of such obligations or pledging such
6 taxes shall be published within 10 days after such ordinance
7 has been passed in one or more newspapers, with general
8 circulation within such municipality. The publication of the
9 ordinance shall be accompanied by a notice of (1) the specific
10 number of voters required to sign a petition requesting the
11 question of the issuance of such obligations or pledging taxes
12 to be submitted to the electors; (2) the time in which such
13 petition must be filed; and (3) the date of the prospective
14 referendum. The municipal clerk shall provide a petition form
15 to any individual requesting one.

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

1 the ordinance shall not take effect.

2 The ordinance authorizing the obligations may provide that
3 the obligations shall contain a recital that they are issued
4 pursuant to this Division, which recital shall be conclusive
5 evidence of their validity and of the regularity of their
6 issuance.

7 In the event the municipality authorizes issuance of
8 obligations pursuant to this Section secured by the full faith
9 and credit of the municipality, the ordinance authorizing the
10 obligations may provide for the levy and collection of a direct
11 annual tax upon all taxable property within the municipality
12 sufficient to pay the principal thereof and interest thereon as
13 it matures, which levy may be in addition to and exclusive of
14 the maximum of all other taxes authorized to be levied by the
15 municipality, which levy, however, shall be abated to the
16 extent that monies from other sources are available for payment
17 of the obligations and the municipality certifies the amount of
18 said monies available to the county clerk.

19 A certified copy of such ordinance shall be filed with the
20 county clerk of each county in which any portion of the
21 municipality is situated, and shall constitute the authority
22 for the extension and collection of the taxes to be deposited
23 in the special tax allocation fund.

24 A municipality may also issue its obligations to refund in
25 whole or in part, obligations theretofore issued by such
26 municipality under the authority of this Act, whether at or
27 prior to maturity, provided however, that the last maturity of
28 the refunding obligations shall not be expressed to mature
29 later than December 31 of the year in which the payment to the
30 municipal treasurer as provided in subsection (b) of Section
31 11-74.4-8 of this Act is to be made with respect to ad valorem
32 taxes levied in the twenty-third calendar year after the year
33 in which the ordinance approving the redevelopment project area
34 is adopted if the ordinance was adopted on or after January 15,
35 1981, and not later than December 31 of the year in which the
36 payment to the municipal treasurer as provided in subsection

1 (b) of Section 11-74.4-8 of this Act is to be made with respect
2 to ad valorem taxes levied in the thirty-fifth calendar year
3 after the year in which the ordinance approving the
4 redevelopment project area is adopted (A) if the ordinance was
5 adopted before January 15, 1981, or (B) if the ordinance was
6 adopted in December 1983, April 1984, July 1985, or December
7 1989, or (C) if the ordinance was adopted in December, 1987 and
8 the redevelopment project is located within one mile of Midway
9 Airport, or (D) if the ordinance was adopted before January 1,
10 1987 by a municipality in Mason County, or (E) if the
11 municipality is subject to the Local Government Financial
12 Planning and Supervision Act or the Financially Distressed City
13 Law, or (F) if the ordinance was adopted in December 1984 by
14 the Village of Rosemont, or (G) if the ordinance was adopted on
15 December 31, 1986 by a municipality located in Clinton County
16 for which at least \$250,000 of tax increment bonds were
17 authorized on June 17, 1997, or if the ordinance was adopted on
18 December 31, 1986 by a municipality with a population in 1990
19 of less than 3,600 that is located in a county with a
20 population in 1990 of less than 34,000 and for which at least
21 \$250,000 of tax increment bonds were authorized on June 17,
22 1997, or (H) if the ordinance was adopted on October 5, 1982 by
23 the City of Kankakee, or (I) if the ordinance was adopted on
24 December 29, 1986 by East St. Louis, or if the ordinance was
25 adopted on November 12, 1991 by the Village of Sauget, or (J)
26 if the ordinance was adopted on February 11, 1985 by the City
27 of Rock Island, or (K) if the ordinance was adopted before
28 December 18, 1986 by the City of Moline, or (L) if the
29 ordinance was adopted in September 1988 by Sauk Village, or (M)
30 if the ordinance was adopted in October 1993 by Sauk Village,
31 or (N) if the ordinance was adopted on December 29, 1986 by the
32 City of Galva, or (O) if the ordinance was adopted in March
33 1991 by the City of Centreville, or (P) if the ordinance was
34 adopted on January 23, 1991 by the City of East St. Louis, or
35 (Q) if the ordinance was adopted on December 22, 1986 by the
36 City of Aledo, or (R) if the ordinance was adopted on February

1 5, 1990 by the City of Clinton, or (S) if the ordinance was
2 adopted on September 6, 1994 by the City of Freeport, or (T) if
3 the ordinance was adopted on December 22, 1986 by the City of
4 Tuscola, or (U) if the ordinance was adopted on December 23,
5 1986 by the City of Sparta, or (V) if the ordinance was adopted
6 on December 23, 1986 by the City of Beardstown, or (W) if the
7 ordinance was adopted on April 27, 1981, October 21, 1985, or
8 December 30, 1986 by the City of Belleville, or (X) if the
9 ordinance was adopted on December 29, 1986 by the City of
10 Collinsville, or (Y) if the ordinance was adopted on September
11 14, 1994 by the City of Alton, or (Z) if the ordinance was
12 adopted on November 11, 1996 by the City of Lexington, or (AA)
13 if the ordinance was adopted on November 5, 1984 by the City of
14 LeRoy, or (BB) if the ordinance was adopted on April 3, 1991 or
15 June 3, 1992 by the City of Markham, or (CC) if the ordinance
16 was adopted on November 11, 1986 by the City of Pekin, or (DD)
17 ~~(CC)~~ if the ordinance was adopted on December 15, 1981 by the
18 City of Champaign, or (EE) ~~(CC)~~ if the ordinance was adopted on
19 December 15, 1986 by the City of Urbana, or (FF) ~~(CC)~~ if the
20 ordinance was adopted on December 15, 1986 by the Village of
21 Heyworth, or (GG) ~~(CC)~~ if the ordinance was adopted on February
22 24, 1992 by the Village of Heyworth, or (HH) ~~(CC)~~ if the
23 ordinance was adopted on March 16, 1995 by the Village of
24 Heyworth, or (II) ~~(CC)~~ if the ordinance was adopted on December
25 23, 1986 by the Town of Cicero, or (JJ) ~~(CC)~~ if the ordinance
26 was adopted on December 30, 1986 by the City of Effingham, or
27 (KK) ~~(CC)~~ if the ordinance was adopted on May 9, 1991 by the
28 Village of Tilton, or (LL) ~~(CC)~~ if the ordinance was adopted on
29 October 20, 1986 by the City of Elmhurst, or (MM) ~~(CC)~~ if the
30 ordinance was adopted on January 19, 1988 by the City of
31 Waukegan, or (NN) ~~(DD)~~ if the ordinance was adopted on
32 September 21, 1998 by the City of Waukegan, or (OO) if the
33 ordinance was adopted on July 28, 1987 by the City of Marion,
34 or (PP) if the ordinance was adopted on April 23, 1990 by the
35 City of Marion and, for redevelopment project areas for which
36 bonds were issued before July 29, 1991, in connection with a

1 redevelopment project in the area within the State Sales Tax
2 Boundary and which were extended by municipal ordinance under
3 subsection (n) of Section 11-74.4-3, the last maturity of the
4 refunding obligations shall not be expressed to mature later
5 than the date on which the redevelopment project area is
6 terminated or December 31, 2013, whichever date occurs first.

7 In the event a municipality issues obligations under home
8 rule powers or other legislative authority the proceeds of
9 which are pledged to pay for redevelopment project costs, the
10 municipality may, if it has followed the procedures in
11 conformance with this division, retire said obligations from
12 funds in the special tax allocation fund in amounts and in such
13 manner as if such obligations had been issued pursuant to the
14 provisions of this division.

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

19 (Source: P.A. 92-263, eff. 8-7-01; 92-406, eff. 1-1-02; 92-624,
20 eff. 7-11-02; 92-651, eff. 7-11-02; 93-298, eff. 7-23-03;
21 93-708, eff. 1-1-05; 93-747, eff. 7-15-04; 93-924, eff.
22 8-12-04; 93-983, eff. 8-23-04; 93-984, eff. 8-23-04; 93-985,
23 eff. 8-23-04; 93-986, eff. 8-23-04; 93-987, eff. 8-23-04;
24 93-995, eff. 8-23-04; 93-1024, eff. 8-25-04; 93-1076, eff.
25 1-18-05; revised 1-25-05.)

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