



Sen. James F. Clayborne Jr.

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1 AMENDMENT TO SENATE BILL 836

2 AMENDMENT NO. _____. Amend Senate Bill 836 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Municipal Code is amended by
5 changing Sections 8-4-1, 11-74.3-1, 11-74.3-2, 11-74.3-3,
6 11-74.3-4, and 11-74.3-5, by changing and renumbering the
7 existing Section 11-74.3-6 (now 11-74.3-11), and by adding new
8 Sections 11-74.3-6, 11-74.3-7, 11-74.3-8, 11-74.3-9,
9 11-74.3-10, and 11-74.3-12 as follows:

10 (65 ILCS 5/8-4-1) (from Ch. 24, par. 8-4-1)

11 Sec. 8-4-1. No bonds shall be issued by the corporate
12 authorities of any municipality until the question of
13 authorizing such bonds has been submitted to the electors of
14 that municipality provided that notice of the bond referendum,
15 if held before July 1, 1999, has been given in accordance with
16 the provisions of Section 12-5 of the Election Code in effect
17 at the time of the bond referendum, at least 10 and not more
18 than 45 days before the date of the election, notwithstanding
19 the time for publication otherwise imposed by Section 12-5, and
20 approved by a majority of the electors voting upon that
21 question. Notices required in connection with the submission of
22 public questions on or after July 1, 1999 shall be as set forth
23 in Section 12-5 of the Election Code. The clerk shall certify
24 the proposition of the corporate authorities to the proper

1 election authority who shall submit the question at an election
2 in accordance with the general election law, subject to the
3 notice provisions set forth in this Section.

4 Notice of any such election shall contain the amount of the
5 bond issue, purpose for which issued, and maximum rate of
6 interest.

7 However, without the submission of the question of issuing
8 bonds to the electors, the corporate authorities of any
9 municipality may authorize the issuance of any of the following
10 bonds:

11 (1) Bonds to refund any existing bonded indebtedness;

12 (2) Bonds to fund or refund any existing judgment
13 indebtedness;

14 (3) In any municipality of less than 500,000 population,
15 bonds to anticipate the collection of installments of special
16 assessments and special taxes against property owned by the
17 municipality and to anticipate the collection of the amount
18 apportioned to the municipality as public benefits under
19 Article 9;

20 (4) Bonds issued by any municipality under Sections 8-4-15
21 through 8-4-23, 11-23-1 through 11-23-12, 11-25-1 through
22 11-26-6, 11-71-1 through 11-71-10, 11-74.3-1 through
23 11-74.3-12, 11-74.4-1 through 11-74.4-11, 11-74.5-1 through
24 11-74.5-15, 11-94-1 through 11-94-7, 11-102-1 through
25 11-102-10, 11-103-11 through 11-103-15, 11-118-1 through
26 11-118-6, 11-119-1 through 11-119-5, 11-129-1 through
27 11-129-7, 11-133-1 through 11-133-4, 11-139-1 through
28 11-139-12, 11-141-1 through 11-141-18 of this Code or 10-801
29 through 10-808 of the Illinois Highway Code, as amended;

30 (5) Bonds issued by the board of education of any school
31 district under the provisions of Sections 34-30 through 34-36
32 of The School Code, as amended;

33 (6) Bonds issued by any municipality under the provisions
34 of Division 6 of this Article 8; and by any municipality under

1 the provisions of Division 7 of this Article 8; or under the
2 provisions of Sections 11-121-4 and 11-121-5;

3 (7) Bonds to pay for the purchase of voting machines by any
4 municipality that has adopted Article 24 of The Election Code,
5 approved May 11, 1943, as amended;

6 (8) Bonds issued by any municipality under Sections 15 and
7 46 of the "Environmental Protection Act", approved June 29,
8 1970;

9 (9) Bonds issued by the corporate authorities of any
10 municipality under the provisions of Section 8-4-25 of this
11 Article 8;

12 (10) Bonds issued under Section 8-4-26 of this Article 8 by
13 any municipality having a board of election commissioners;

14 (11) Bonds issued under the provisions of "An Act to
15 provide the manner of levying or imposing taxes for the
16 provision of special services to areas within the boundaries of
17 home rule units and nonhome rule municipalities and counties",
18 approved September 21, 1973;

19 (12) Bonds issued under Section 8-5-16 of this Code;

20 (13) Bonds to finance the cost of the acquisition,
21 construction or improvement of water or wastewater treatment
22 facilities mandated by an enforceable compliance schedule
23 developed in connection with the federal Clean Water Act or a
24 compliance order issued by the United States Environmental
25 Protection Agency or the Illinois Pollution Control Board;
26 provided that such bonds are authorized by an ordinance adopted
27 by a three-fifths majority of the corporate authorities of the
28 municipality issuing the bonds which ordinance shall specify
29 that the construction or improvement of such facilities is
30 necessary to alleviate an emergency condition in such
31 municipality;

32 (14) Bonds issued by any municipality pursuant to Section
33 11-113.1-1;

34 (15) Bonds issued under Sections 11-74.6-1 through

1 11-74.6-45, the Industrial Jobs Recovery Law of this Code.

2 (Source: P.A. 90-706, eff. 8-7-98; 90-812, eff. 1-26-99; 91-57,
3 eff. 6-30-99.)

4 (65 ILCS 5/11-74.3-1) (from Ch. 24, par. 11-74.3-1)

5 Sec. 11-74.3-1. Declaration of public purpose.

6 It is hereby found and declared:

7 (1) It may be considered essential to the economic and
8 social welfare of each municipality that business districts be
9 developed, improved, maintained and revitalized, that jobs and
10 opportunity for employment be created within the municipality,
11 and that, if blighting conditions are present, blighting
12 conditions be eradicated by assuring opportunities for
13 development or redevelopment and attracting sound and stable
14 commercial growth.

15 (2) Such a result should conform with a comprehensive plan
16 of the municipality and a specific plan for business districts
17 officially approved by the corporate authorities of the
18 municipality after a public hearing ~~hearings~~.

19 (3) The exercise of the powers provided in this Division is
20 dedicated to the promotion of the public interest, ~~and~~ to the
21 enhancement of the tax base within ~~of~~ business districts, the
22 creation of employment, and/or the eradication of blight, if
23 present within the business district, and the use of such
24 powers for the development and redevelopment of business
25 districts of a municipality is hereby declared to be a public
26 use essential to the public interest.

27 (Source: P.A. 78-793.)

28 (65 ILCS 5/11-74.3-2) (from Ch. 24, par. 11-74.3-2)

29 Sec. 11-74.3-2. The corporate authorities of a
30 municipality may designate, after public hearing ~~hearings~~, an
31 area of the municipality as a Business District.

32 (Source: P.A. 78-793.)

1 (65 ILCS 5/11-74.3-3)

2 Sec. 11-74.3-3. With respect to districts created pursuant
3 to Section 11-74.3-2, in ~~In~~ carrying out a business district
4 development or redevelopment plan, the corporate authorities
5 of each municipality shall have the following powers:

6 (1) To approve all development and redevelopment
7 proposals for a business district.

8 (2) To exercise the use of eminent domain for the
9 acquisition of real and personal property for the purpose
10 of a development or redevelopment project.

11 (3) To acquire, manage, convey or otherwise dispose of
12 real and personal property according to the provisions of a
13 development or redevelopment plan.

14 (4) To apply for and accept capital grants and loans
15 from the United States and the State of Illinois, or any
16 instrumentality of the United States or the State, for
17 business district development and redevelopment.

18 (5) To borrow funds as it may be deemed necessary for
19 the purpose of business district development and
20 redevelopment, and in this connection issue such
21 obligation or revenue bonds as it shall be deemed
22 necessary, subject to applicable statutory limitations.

23 (6) To enter into contracts with any public or private
24 agency or person.

25 (7) To sell, lease, trade or improve real property in
26 connection with business district development and
27 redevelopment plans.

28 (8) To employ all such persons as may be necessary for
29 the planning, administration and implementation of
30 business district plans.

31 (9) To expend such public funds as may be necessary for
32 the planning, execution and implementation of the business
33 district plans.

1 (10) To establish by ordinance or resolution
2 procedures for the planning, execution and implementation
3 of business district plans.

4 (11) To create a Business District Development and
5 Redevelopment Commission to act as agent for the
6 municipality for the purposes of business district
7 development and redevelopment.

8 (12) To impose a retailers' occupation tax and a
9 service occupation tax in the business district for the
10 planning, execution, and implementation of business
11 district plans and to pay for business district project
12 costs as set forth in the business district plan approved
13 by the municipality.

14 (13) To impose a hotel operators' occupation tax in the
15 business district for the planning, execution, and
16 implementation of business district plans and to pay for
17 the business district project costs as set forth in the
18 business district plan approved by the municipality.

19 (14) To issue obligations in one or more series bearing
20 interest at rates determined by the corporate authorities
21 of the municipality by ordinance and secured by the
22 business district tax allocation fund set forth in Section
23 11-74.3-6 for the business district to provide for the
24 payment of business district project costs.

25 (15) To utilize revenues received under this Division
26 from one district area for eligible business district
27 project costs in another business district area that is
28 contiguous to, or is separated only by a public right of
29 way, the district area from which the revenues are
30 received, provided that any transfer or loan of revenues
31 from one district area to another area shall have first
32 been approved in the business district plan approved for
33 each district area.

34 This amendatory Act of the 91st General Assembly is

1 declarative of existing law and is not a new enactment.

2 (Source: P.A. 93-1053, eff. 1-1-05.)

3 (65 ILCS 5/11-74.3-4) (from Ch. 24, par. 11-74.3-4)

4 Sec. 11-74.3-4. The powers granted to municipalities in
5 this Division shall not be construed as a limitation on the
6 powers of a home rule municipality granted by Article VII of
7 the Illinois Constitution.

8 (Source: P.A. 78-793.)

9 (65 ILCS 5/11-74.3-5)

10 Sec. 11-74.3-5. Business district; additional procedures
11 for designation of district and approval of development or
12 redevelopment plan with respect to business districts
13 established pursuant to Section 11-74.3.2. If the corporate
14 authorities of a municipality desire to impose a tax by
15 ordinance pursuant to subsection (12) or (13) of Section
16 11-74.3-3, the following additional procedures shall apply to
17 the designation of the business district and the approval of
18 the business district development or redevelopment plan:

19 (1) The corporate authorities of the municipality
20 shall hold a public hearing ~~hearings~~ at least one week
21 prior to designation of the business district and approval
22 of the business district development or redevelopment
23 plan.

24 (2) The area proposed to be designated as a business
25 district must be contiguous and must include only parcels
26 of real property directly and substantially benefited by
27 the proposed business district development or
28 redevelopment plan.

29 (3) The corporate authorities of the municipality
30 shall make a formal finding of the following: (i) the
31 business district is a blighted area that, by reason of the
32 predominance of defective or inadequate street layout,

1 unsanitary or unsafe conditions, deterioration of site
2 improvements, improper subdivision or obsolete platting,
3 or the existence of conditions which endanger life or
4 property by fire or other causes, or any combination of
5 those factors, retards the provision of housing
6 accommodations or constitutes an economic or social
7 liability or a menace to the public health, safety, morals,
8 or welfare in its present condition and use; and (ii) the
9 business district on the whole has not been subject to
10 growth and development through investment by private
11 enterprises or would not reasonably be anticipated to be
12 developed or redeveloped without the adoption of the
13 business district development or redevelopment plan.

14 (4) The proposed business district development or
15 redevelopment plan shall set forth in writing: (i) a
16 specific description of the proposed boundaries of the
17 district, including a map illustrating the boundaries;
18 (ii) a general description of each project proposed to be
19 undertaken within the business district, including a
20 description of the approximate location of each project;
21 (iii) the name of the proposed business district; (iv) the
22 estimated business district project costs; (v) the
23 anticipated source of funds to pay business district
24 project costs; (vi) the anticipated type and terms of any
25 obligations to be issued; and (vii) the rate of any tax to
26 be imposed pursuant to subsection (12) or (13) of Section
27 11-74.3-3 and the period of time for which the tax shall be
28 imposed.

29 (Source: P.A. 93-1053, eff. 1-1-05.)

30 (65 ILCS 5/11-74.3-6 new)

31 Sec. 11-74.3-6. Establishment of districts. The corporate
32 authorities of a municipality may establish one or more
33 districts that are separate political subdivisions of the

1 State. The provisions of this Section 11-74.3-6 through Section
2 11-74.3-10 shall govern the formation, governance and powers of
3 such a district.

4 (65 ILCS 5/11-74.3-7 new)

5 Sec. 11-74.3-7. Definitions. The following terms used in
6 Sections 3-6 through 3-10 of this Division 74.3 and not
7 otherwise defined in this Division 74.3 shall have the
8 following meanings:

9 "Blighted area" means an area that, (a) by reason of the
10 predominance of defective or inadequate street layout,
11 unsanitary or unsafe conditions, deterioration of site
12 improvements, improper subdivision or obsolete platting, or
13 the existence of conditions that endanger life or property by
14 fire or other causes, or any combination of those factors,
15 retards the provision of housing accommodations or constitutes
16 an economic or social liability or a menace to the public
17 health, safety, morals, or welfare in its present condition and
18 use, or (b) has been declared blighted or found to be a
19 blighted area pursuant to the Tax Increment Allocation
20 Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq or the Industrial
21 Jobs Recovery Law, 65 ILCS 5/11-74.61 et seq; or (c) is
22 blighted pursuant to the definition of "blight" as contained in
23 the Tax Increment Allocation Redevelopment Act, 65 ILCS
24 5/11-74.4-1 or the Industrial Jobs Recovery Law, 65 ILCS
25 5/11-74.6-1 et seq.

26 "Board" means the board of directors of the district.

27 "Business district plan" shall mean the written plan for
28 the development or redevelopment and the construction of
29 various physical improvements to or benefiting the district
30 area, through the payment of business district project costs,
31 which plan is in accordance with the requirements of this
32 Division 74.3.

33 "Business district project costs" shall mean and include

1 the sum total of all costs incurred by a district, other
2 governmental entity or nongovernmental person in the
3 furtherance of a business district plan or incidental to
4 development or redevelopment within or for the benefit of the
5 district area, including, without limitation, the following:

6 (1) costs of studies, surveys, development of plans and
7 specifications, implementation and administration of a
8 business district plan, and personnel and professional
9 service costs for architectural, engineering, legal,
10 marketing, financial, planning, police, fire, public
11 works, or other services, provided that no charges for
12 professional services may be based on a percentage of tax
13 revenues;

14 (2) property assembly costs, including but not limited
15 to, acquisition of land and other real or personal property
16 or rights or interests therein, and specifically including
17 payments to developers or other nongovernmental persons as
18 reimbursement for property assembly costs incurred by that
19 developer or other nongovernmental person;

20 (3) site preparation costs, including but not limited
21 to clearance, demolition or removal of any existing
22 buildings, structures, fixtures, utilities and
23 improvements and clearing and grading; and including
24 installation, repair, construction, reconstruction,
25 extension, or relocation of public streets, public
26 utilities, and other public site improvements within or
27 without the district area which are essential to the
28 preparation of the district area for the use in accordance
29 with the business district plan, and specifically
30 including payments to developers or other nongovernmental
31 persons as reimbursement for site preparation costs
32 incurred by the developer or nongovernmental person;

33 (4) costs of renovation, rehabilitation,
34 reconstruction, relocation, repair or remodeling of any

1 existing buildings, improvements, and fixtures within the
2 district area, and specifically including payments to
3 developers or other nongovernmental persons as
4 reimbursement for costs incurred by those developers or
5 nongovernmental persons;

6 (5) costs of installation or construction within the
7 district area of buildings, structures, works, streets,
8 improvements, equipment, utilities, or fixtures, and
9 specifically including payments to developers or other
10 nongovernmental persons as reimbursements for such costs
11 incurred by such developer or nongovernmental person;

12 (6) financing costs, including but not limited to all
13 necessary and incidental expenses related to the issuance
14 of obligations, payment of any interest on any obligations
15 issued under this Division 74.3 that accrues during the
16 estimated period of construction of any development or
17 redevelopment project for which those obligations are
18 issued and for not exceeding 36 months thereafter, and any
19 reasonable reserves related to the issuance of those
20 obligations; and

21 (7) relocation costs to the extent that a district
22 determines that relocation costs shall be paid or is
23 required to make payment of relocation costs by federal or
24 State law.

25 "Director" means a duly appointed director on the board of
26 a district.

27 "District" shall mean a political subdivision of the State
28 and body politic, having the district area as its corporate
29 limits, as designated in the Development Plan and as created by
30 a municipality in accordance with this Division 74.3.

31 "District area" means an improved or vacant area within a
32 municipality and that has been established by that municipality
33 in accordance with this Division 74.3.

34 "Municipality" means any city, village or incorporated

1 town within the State.

2 "Municipal clerk" means the office within any municipality
3 designated as the office with the duty and authority for
4 keeping, maintaining, and recording the records and
5 proceedings of that municipality.

6 (65 ILCS 5/11-74.3-8 new)

7 Sec. 11-74.3-8. Powers of Districts that are Political
8 Subdivisions. If the business district plan provides and the
9 district is created as a political subdivision of the State,
10 the district shall have all powers, except to the extent any
11 such power has been limited by the business district plan for
12 such district approved by the municipality, to carry out and
13 effectuate the purposes and provisions of such business
14 district plan and this Division 74.3, including but not limited
15 to, the following:

16 (1) To adopt by-laws for the district in the form
17 provided for in the business district plan;

18 (2) To sue and be sued;

19 (3) To exercise the use of eminent domain for the
20 acquisition of real and personal property for the purpose of
21 implementing development or redevelopment within the district
22 area or which benefits the district area;

23 (4) To acquire, manage, convey or otherwise dispose of
24 real and personal property according to the provisions of a
25 business district plan;

26 (5) To apply for and accept capital grants and loans
27 from the United States and the state, or any instrumentality of
28 the United States or the state, for business district
29 development and redevelopment;

30 (6) To borrow funds as it may be deemed necessary to
31 pay business district project costs, and in this connection
32 issue one or more series of obligations or revenue bonds,
33 bearing interest at a rate determined by the board of the

1 district, secured by the business district tax allocation fund
2 set forth in Section 11-74.3-11, and as it shall be deemed
3 necessary, subject to applicable statutory limitations,
4 including the pledge of its revenues to another authority in
5 connection with the issuance of obligations to finance
6 development within or for the benefit of the district area;

7 (7) To enter into contracts with any public or private
8 agency or person;

9 (8) To sell, lease, trade or improve real property;

10 (9) To employ all such persons as may be necessary for
11 the planning, administration and implementation of the
12 business district plan;

13 (10) To expend such public funds as may be necessary
14 for the planning, execution and implementation of the business
15 district plan;

16 (11) To levy by resolution of the board, a retailers'
17 occupation tax and a service occupation tax in the district
18 area for the planning, execution, and implementation of the
19 business district plan, to pay for business district project
20 costs, and to pay any obligations issued to finance business
21 district project costs, to the extent such taxes are authorized
22 by the business district plan approved by the municipality;

23 (12) To impose by resolution a hotel operators'
24 occupation tax within the business district for the planning,
25 execution, and implementation of business district plans and to
26 pay for the business district project costs as set forth in the
27 business district plan approved by the municipality;

28 (13) To utilize revenues received under this Division
29 from one district area for eligible business district project
30 costs in another district area that is contiguous to, or is
31 separated only by a public right of way from, the district area
32 from which the revenues are received, provided that any
33 transfer or loan of revenues received from one district area to
34 another district area shall have first been approved in the

1 business district plan approved for each district area.

2 In addition to the foregoing, each district area which is
3 located within a blighted area or includes a blighted area,
4 shall have the additional power to expend its revenues or loan
5 its revenues pursuant to a contract with any private property
6 owner to improve such private property, provided that such
7 improvements are reasonably anticipated to remediate some or
8 all of the blighting conditions and are in the furtherance of
9 the objectives of the business district plan.

10 (65 ILCS 5/11-74.3-9 new)

11 Sec. 11-74.3-9. The following procedures apply to the
12 establishment of a district:

13 (1) Business district plan. The corporate authorities
14 of the municipality shall cause to be prepared a business
15 district plan, which shall:

16 (a) designate the district as a separate political
17 subdivision of the State;

18 (b) set forth a specific description of the
19 boundaries of the proposed district area;

20 (c) contain a map illustrating the boundaries of
21 the proposed district area;

22 (d) contain a general description of each project
23 proposed to be undertaken within or for the benefit of
24 the district area, including a description of the
25 approximate location of each project;

26 (e) set forth the name of the proposed district;

27 (f) set forth the number of directors to be on the
28 district's board;

29 (g) set forth an estimate of business district
30 project costs reasonably anticipated to be paid or
31 incurred;

32 (h) set forth the anticipated source of funds to
33 pay business district project costs;

1 (i) set forth the anticipated nature and term of
2 any obligations to be issued; and

3 (j) the form of the proposed by-laws by which the
4 board shall govern the district.

5 The business district plan shall be placed on file with
6 the municipal clerk and available for review by any
7 interested party on or before the date notice of the public
8 hearing is first published or mailed.

9 (2) Amendments to the plan.

10 (a) Amendments to a business district plan may be
11 made that do not change the proposed boundaries of the
12 proposed district area if the following times and the
13 following requirements have been met:

14 (i) At any time prior to the close of the
15 public hearing required pursuant to subdivision
16 (3) of this Section; provided that, notice of the
17 contents of the amendment to the business district
18 plan is given at the public hearing.

19 (ii) At any time after the public hearing and
20 prior to the adoption of an ordinance adopting the
21 proposed district; provided that, notice of the
22 amendments to the business district plan is given
23 by publishing the notice in a newspaper of general
24 circulation within the municipality and by sending
25 the notice by registered or certified United
26 States mail with a return receipt attached to the
27 address of record of each owner of record of real
28 property within the boundaries of the proposed
29 district area per the tax records of the county
30 clerk. Such notice shall be published and mailed
31 not less than 10 days prior to the adoption of the
32 ordinance establishing the district.

33 (b) Amendments to a business district plan that
34 change the proposed boundaries of the proposed

1 district area and amendments to the business district
2 plan made at any time after the adoption of any
3 ordinance establishing the district, may be made by
4 adoption by the governing body of the municipality in
5 which the district is located of an ordinance approving
6 the amendment to the business district plan, after a
7 public hearing on the amendment to the business
8 district plan is held and notice of the public hearing
9 is given in the manner provided in subdivision (3) of
10 this Section.

11 (3) Public hearing. The corporate authorities of the
12 municipality shall conduct a public hearing at which
13 members of the general public shall be given an opportunity
14 to be heard regarding the terms of the business district
15 plan and the establishment of the district. All reasonable
16 protests, objections and endorsements shall be heard at the
17 public hearing; provided, however, that the corporate
18 authorities of the municipality may establish reasonable
19 rules regarding the length of time provided to members of
20 the general public. The public hearing may be continued to
21 another date without further notice other than a motion to
22 be entered upon the minutes fixing the date, time, and
23 place of the continuance of the public hearing. Notice of
24 the public hearing shall be given as follows:

25 (a) Notice by publication shall be given in a
26 newspaper of general circulation within the
27 municipality, published twice, the first publication
28 to be not more than 30 days and the last publication to
29 not be less than 10 days prior to the date of the
30 public hearing.

31 (b) Notice by mail shall be given to the record
32 owner, based on the assessor's records as of the date
33 that is not more than 30 days and not less than 15 days
34 prior to the date of the public hearing, of fee simple

1 title to all real property located within the proposed
2 district area, which notices shall be sent by certified
3 United States mail, return receipt requested.

4 (c) Each notice shall contain the following
5 information:

6 (i) the date, time, and place of the public
7 hearing;

8 (ii) a statement that the business district
9 plan has been filed with the municipal clerk of the
10 municipality and is available for review at the
11 office of the municipal clerk during the
12 municipality's regular business hours;

13 (iii) the boundaries and map of the proposed
14 district, as contained in the business district
15 plan, provided that a map shall not be required
16 with respect to any published notice; and

17 (iv) a statement that all interested persons
18 shall be given an opportunity to be heard at the
19 public hearing.

20 (4) Establishment of district by ordinance. After the
21 final adjournment of the public hearing required by
22 subdivision (3) of this Section, the corporate authorities
23 of the municipality may establish the district by adopting
24 an ordinance approving the business district plan,
25 establishing the district, and making the following
26 findings:

27 (a) the proposed district area is contiguous; and

28 (b) the proposed business district plan conforms
29 to the comprehensive plan of the municipality as a
30 whole.

31 The establishment ordinance may include the finding that
32 the district is a blighted area. Within sixty (60) days after
33 the adoption of said approving ordinance, the municipal clerk
34 shall cause a certified copy of said ordinance to be filed in

1 the officer of the recorder of deeds in and for the county in
2 which the municipality is located. Upon such filing with the
3 office of the recorder of deeds the district shall be deemed to
4 be organized as a political subdivision of the State and a body
5 politic.

6 (65 ILCS 5/11-74.3-10 new)

7 Sec. 11-74.3-10. Governance by Board of directors;
8 election; qualifications.

9 (1) The district shall be governed by a board consisting of
10 the number of directors as set forth in the business district
11 plan, of which there shall be at least 5 but not more than 10
12 directors. Each director shall, during his or her entire term:

13 (a) be at least 18 years of age;

14 (b) be a resident of the municipality; and

15 (c) have any other qualifications that may be set forth
16 in the business district plan.

17 (2) Directors shall be appointed by the chief elected
18 officer of the municipality with the consent of the corporate
19 authorities of the municipality. One-half of the initial
20 directors shall be appointed to serve a 3-year term, one-half
21 shall be appointed to serve for a 2-year term, and if an odd
22 number of directors are to be initially appointed, the odd
23 Director shall serve for a 2-year term; provided that each
24 director shall serve until that director's successor is
25 appointed. Each successor director shall serve a term of 2
26 years; provided that the term shall continue until the
27 director's successor is appointed. In the event of a vacancy on
28 the board of directors, the municipality shall appoint, in the
29 manner described in this subdivision (2), an interim director
30 to fill the vacancy for the unexpired term.

31 (3) Any director may be removed for cause by a two-thirds
32 affirmative vote of the directors of the board. Written notice
33 of the proposed removal shall be given to all directors prior

1 to action thereon. A director may not be removed by the
2 municipality or the board without cause.

3 (4) The board shall possess and exercise all of the
4 district's legislative and executive powers. A simple majority
5 of the board shall constitute a quorum. If a quorum exists, a
6 majority of those voting shall have the authority to act in the
7 name of the board and to approve any resolution. Each director
8 shall devote such time to the duties of the office as the
9 faithful discharge thereof may require and may be reimbursed
10 for his or her actual expenditures in the performance of duties
11 on behalf of the district. Meetings and actions of the board
12 shall otherwise be governed by the terms of the district's
13 by-laws. The board may appoint officers and delegate its
14 executive power to such officer to the extent provided for in
15 the by-laws, the form of which is to be contained in the
16 business district plan.

17 (5) The district shall comply and operate in accordance
18 with the State Officials and Employees Ethics Act (5 ILCS 430/)
19 and all other laws of the State applicable to political
20 subdivisions or units of local government.

21 (65 ILCS 5/11-74.3-11) (was 65 ILCS 5/11-74.3-6)

22 Sec. 11-74.3-11 ~~11-74.3-6~~. Business district revenue and
23 obligations.

24 (a) If the corporate authorities of a municipality have
25 approved a business district development or redevelopment plan
26 and have elected to impose a tax by ordinance pursuant to
27 subsections (b), (c), or (d) of this Section, or the board of a
28 district has elected to impose a tax by resolution pursuant to
29 subsection (b), (c), or (d), then each year after the date of
30 the approval of the ordinance but terminating upon the date ~~and~~
31 ~~until~~ all business district project costs and all municipal
32 obligations financing the business district project costs, if
33 any, have been paid in accordance with the business district

1 development or redevelopment plan, but in no event longer than
2 23 years after the date of adoption of the ordinance or
3 resolution approving the ~~tax business district development or~~
4 ~~redevelopment plan~~, all amounts generated by the retailers'
5 occupation tax and service occupation tax shall be collected
6 and the tax shall be enforced by the Department of Revenue in
7 the same manner as all retailers' occupation taxes and service
8 occupation taxes imposed in the municipality imposing the tax
9 or the municipality in which the district is located, and all
10 amounts generated by the hotel operators' occupation tax shall
11 be collected and the tax shall be enforced by the municipality
12 or the district in the same manner as all hotel operators'
13 occupation taxes imposed in the municipality imposing the tax
14 or the municipality in which the district is located. The
15 corporate authorities of the municipality shall deposit the
16 proceeds of the taxes imposed under subsections (b), (c), and
17 (d) into a special fund held by the corporate authorities of
18 the municipality called the Business District Tax Allocation
19 Fund for the purpose of paying business district project costs
20 and obligations incurred in the payment of those costs. A
21 municipality or district may not repeal any of said taxes if
22 the repeal will impact the municipality's or district's ability
23 to repay any liabilities incurred, or owed, or obligation
24 issued to finance any costs incurred in the furtherance of the
25 plan.

26 (b) The corporate authorities of a municipality that has
27 established a business district under this Division 74.3 or a
28 district which is established by a municipality as a political
29 subdivision of the State may, by ordinance or resolution,
30 impose a Business District Retailers' Occupation Tax upon all
31 persons engaged in the business of selling tangible personal
32 property, other than an item of tangible personal property
33 titled or registered with an agency of this State's government,
34 at retail in the business district at a rate not to exceed 1%

1 of the gross receipts from the sales made in the course of such
2 business, to be imposed only in 0.25% increments. The tax may
3 not be imposed on food for human consumption that is to be
4 consumed off the premises where it is sold (other than
5 alcoholic beverages, soft drinks, and food that has been
6 prepared for immediate consumption), prescription and
7 nonprescription medicines, drugs, medical appliances,
8 modifications to a motor vehicle for the purpose of rendering
9 it usable by a disabled person, and insulin, urine testing
10 materials, syringes, and needles used by diabetics, for human
11 use.

12 The tax imposed under this subsection and all civil
13 penalties that may be assessed as an incident thereof shall be
14 collected and enforced by the Department of Revenue. The
15 certificate of registration that is issued by the Department to
16 a retailer under the Retailers' Occupation Tax Act shall permit
17 the retailer to engage in a business that is taxable under any
18 ordinance or resolution enacted pursuant to this subsection
19 without registering separately with the Department under such
20 ordinance or resolution or under this subsection. The
21 Department of Revenue shall have full power to administer and
22 enforce this subsection; to collect all taxes and penalties due
23 under this subsection in the manner hereinafter provided; and
24 to determine all rights to credit memoranda arising on account
25 of the erroneous payment of tax or penalty under this
26 subsection. In the administration of, and compliance with, this
27 subsection, the Department and persons who are subject to this
28 subsection shall have the same rights, remedies, privileges,
29 immunities, powers and duties, and be subject to the same
30 conditions, restrictions, limitations, penalties, exclusions,
31 exemptions, and definitions of terms and employ the same modes
32 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
33 through 2-65 (in respect to all provisions therein other than
34 the State rate of tax), 2c through 2h, 3 (except as to the

1 disposition of taxes and penalties collected), 4, 5, 5a, 5c,
2 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,
3 12, 13, and 14 of the Retailers' Occupation Tax Act and all
4 provisions of the Uniform Penalty and Interest Act, as fully as
5 if those provisions were set forth herein.

6 Persons subject to any tax imposed under this subsection
7 may reimburse themselves for their seller's tax liability under
8 this subsection by separately stating the tax as an additional
9 charge, which charge may be stated in combination, in a single
10 amount, with State taxes that sellers are required to collect
11 under the Use Tax Act, in accordance with such bracket
12 schedules as the Department may prescribe.

13 Whenever the Department determines that a refund should be
14 made under this subsection to a claimant instead of issuing a
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the order to be drawn for the
17 amount specified and to the person named in the notification
18 from the Department. The refund shall be paid by the State
19 Treasurer out of the business district retailers' occupation
20 tax fund.

21 The Department shall immediately pay over to the State
22 Treasurer, ex officio, as trustee, all taxes, penalties, and
23 interest collected under this subsection for deposit into the
24 business district retailers' occupation tax fund. On or before
25 the 25th day of each calendar month, the Department shall
26 prepare and certify to the Comptroller the disbursement of
27 stated sums of money to named municipalities or district, as
28 applicable, from the business district retailers' occupation
29 tax fund, the municipalities or districts to be those from
30 which retailers have paid taxes or penalties under this
31 subsection to the Department during the second preceding
32 calendar month. The amount to be paid to each municipality or
33 district shall be the amount (not including credit memoranda)
34 collected under this subsection during the second preceding

1 calendar month by the Department plus an amount the Department
2 determines is necessary to offset any amounts that were
3 erroneously paid to a different taxing body, and not including
4 an amount equal to the amount of refunds made during the second
5 preceding calendar month by the Department, less 2% of that
6 amount, which shall be deposited into the Tax Compliance and
7 Administration Fund and shall be used by the Department,
8 subject to appropriation, to cover the costs of the Department
9 in administering and enforcing the provisions of this
10 subsection, on behalf of such municipality or district, and not
11 including any amount that the Department determines is
12 necessary to offset any amounts that were payable to a
13 different taxing body but were erroneously paid to the
14 municipality or district. Within 10 days after receipt by the
15 Comptroller of the disbursement certification to the
16 municipalities or district provided for in this subsection to
17 be given to the Comptroller by the Department, the Comptroller
18 shall cause the orders to be drawn for the respective amounts
19 in accordance with the directions contained in the
20 certification. The proceeds of the tax paid to municipalities
21 or districts under this subsection shall be deposited into the
22 Business District Tax Allocation Fund by the municipality or
23 district, as applicable.

24 An ordinance or resolution imposing or discontinuing the
25 tax under this subsection or effecting a change in the rate
26 thereof shall either (i) be adopted and a certified copy
27 thereof filed with the Department on or before the first day of
28 April, whereupon the Department, if all other requirements of
29 this subsection are met, shall proceed to administer and
30 enforce this subsection as of the first day of July next
31 following the adoption and filing; or (ii) be adopted and a
32 certified copy thereof filed with the Department on or before
33 the first day of October, whereupon, if all other requirements
34 of this subsection are met, the Department shall proceed to

1 administer and enforce this subsection as of the first day of
2 January next following the adoption and filing.

3 The Department of Revenue shall not administer or enforce a
4 resolution or an ordinance imposing, discontinuing, or
5 changing the rate of the tax under this subsection, until the
6 municipality or district also provides, in the manner
7 prescribed by the Department, the boundaries of the ~~business~~
8 district area in such a way that the Department can determine
9 by its address whether a business is located in the ~~business~~
10 district area. The municipality or district must provide this
11 boundary information to the Department on or before April 1 for
12 administration and enforcement of the tax under this subsection
13 by the Department beginning on the following July 1 and on or
14 before October 1 for administration and enforcement of the tax
15 under this subsection by the Department beginning on the
16 following January 1. The Department of Revenue shall not
17 administer or enforce any change made to the boundaries of the
18 ~~a business~~ district area until the municipality or district, as
19 applicable, reports the boundary change to the Department in
20 the manner prescribed by the Department. The municipality or
21 district, as applicable, must provide this boundary change
22 information to the Department on or before April 1 for
23 administration and enforcement by the Department of the change
24 beginning on the following July 1 and on or before October 1
25 for administration and enforcement by the Department of the
26 change beginning on the following January 1. The retailers in
27 the ~~business~~ district area shall be responsible for charging
28 the tax imposed under this subsection. If a retailer is
29 incorrectly included or excluded from the list of those
30 required to collect the tax under this subsection, both the
31 Department of Revenue and the retailer shall be held harmless
32 if they reasonably relied on information provided by the
33 municipality or district.

34 A municipality or district that imposes the tax under this

1 subsection must submit to the Department of Revenue any other
2 information as the Department may require for the
3 administration and enforcement of the tax.

4 When certifying the amount of a monthly disbursement to a
5 municipality or district under this subsection, the Department
6 shall increase or decrease the amount by an amount necessary to
7 offset any misallocation of previous disbursements. The offset
8 amount shall be the amount erroneously disbursed within the
9 previous 6 months from the time a misallocation is discovered.

10 Nothing in this subsection shall be construed to authorize
11 the municipality or the district to impose a tax upon the
12 privilege of engaging in any business which under the
13 Constitution of the United States may not be made the subject
14 of taxation by this State.

15 If a tax is imposed under this subsection (b), a tax shall
16 also be imposed under subsection (c) of this Section.

17 (c) If a tax has been imposed under subsection (b), a
18 Business District Service Occupation Tax shall also be imposed
19 upon all persons engaged, within ~~in~~ the ~~business~~ district area,
20 in the business of making sales of service, who, as an incident
21 to making those sales of service, transfer tangible personal
22 property within the ~~business~~ district area, either in the form
23 of tangible personal property or in the form of real estate as
24 an incident to a sale of service. The tax shall be imposed at
25 the same rate as the tax imposed in subsection (b) and shall
26 not exceed 1% of the selling price of tangible personal
27 property so transferred within the ~~business~~ district area, to
28 be imposed only in 0.25% increments. The tax may not be imposed
29 on food for human consumption that is to be consumed off the
30 premises where it is sold (other than alcoholic beverages, soft
31 drinks, and food that has been prepared for immediate
32 consumption), prescription and nonprescription medicines,
33 drugs, medical appliances, modifications to a motor vehicle for
34 the purpose of rendering it usable by a disabled person, and

1 insulin, urine testing materials, syringes, and needles used by
2 diabetics, for human use.

3 The tax imposed under this subsection and all civil
4 penalties that may be assessed as an incident thereof shall be
5 collected and enforced by the Department of Revenue. The
6 certificate of registration which is issued by the Department
7 to a retailer under the Retailers' Occupation Tax Act or under
8 the Service Occupation Tax Act shall permit such registrant to
9 engage in a business which is taxable under any ordinance or
10 resolution enacted pursuant to this subsection without
11 registering separately with the Department under such
12 ordinance or resolution or under this subsection. The
13 Department of Revenue shall have full power to administer and
14 enforce this subsection; to collect all taxes and penalties due
15 under this subsection; to dispose of taxes and penalties so
16 collected in the manner hereinafter provided; and to determine
17 all rights to credit memoranda arising on account of the
18 erroneous payment of tax or penalty under this subsection. In
19 the administration of, and compliance with this subsection, the
20 Department and persons who are subject to this subsection shall
21 have the same rights, remedies, privileges, immunities, powers
22 and duties, and be subject to the same conditions,
23 restrictions, limitations, penalties, exclusions, exemptions,
24 and definitions of terms and employ the same modes of procedure
25 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50
26 (in respect to all provisions therein other than the State rate
27 of tax), 4 (except that the reference to the State shall be to
28 the business district), 5, 7, 8 (except that the jurisdiction
29 to which the tax shall be a debt to the extent indicated in
30 that Section 8 shall be the municipality or the district as
31 applicable), 9 (except as to the disposition of taxes and
32 penalties collected, and except that the returned merchandise
33 credit for this tax may not be taken against any State tax),
34 10, 11, 12 (except the reference therein to Section 2b of the

1 Retailers' Occupation Tax Act), 13 (except that any reference
2 to the State shall mean the municipality or district, as
3 applicable), the first paragraph of Section 15, and Sections
4 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all
5 provisions of the Uniform Penalty and Interest Act, as fully as
6 if those provisions were set forth herein.

7 Persons subject to any tax imposed under the authority
8 granted in this subsection may reimburse themselves for their
9 serviceman's tax liability hereunder by separately stating the
10 tax as an additional charge, which charge may be stated in
11 combination, in a single amount, with State tax that servicemen
12 are authorized to collect under the Service Use Tax Act, in
13 accordance with such bracket schedules as the Department may
14 prescribe.

15 Whenever the Department determines that a refund should be
16 made under this subsection to a claimant instead of issuing
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the order to be drawn for the
19 amount specified, and to the person named, in such notification
20 from the Department. Such refund shall be paid by the State
21 Treasurer out of the business district retailers' occupation
22 tax fund.

23 The Department shall forthwith pay over to the State
24 Treasurer, ex-officio, as trustee, all taxes, penalties, and
25 interest collected under this subsection for deposit into the
26 business district retailers' occupation tax fund. On or before
27 the 25th day of each calendar month, the Department shall
28 prepare and certify to the Comptroller the disbursement of
29 stated sums of money to named municipalities and districts from
30 the business district retailers' occupation tax fund, the
31 municipalities and districts to be those from which suppliers
32 and servicemen have paid taxes or penalties under this
33 subsection to the Department during the second preceding
34 calendar month. The amount to be paid to each municipality or

1 district shall be the amount (not including credit memoranda)
2 collected under this subsection during the second preceding
3 calendar month by the Department, less 2% of that amount, which
4 shall be deposited into the Tax Compliance and Administration
5 Fund and shall be used by the Department, subject to
6 appropriation, to cover the costs of the Department in
7 administering and enforcing the provisions of this subsection,
8 and not including an amount equal to the amount of refunds made
9 during the second preceding calendar month by the Department on
10 behalf of such municipality or district. Within 10 days after
11 receipt, by the Comptroller, of the disbursement certification
12 to the municipalities and districts, provided for in this
13 subsection to be given to the Comptroller by the Department,
14 the Comptroller shall cause the orders to be drawn for the
15 respective amounts in accordance with the directions contained
16 in such certification. The proceeds of the tax paid to
17 municipalities or districts under this subsection shall be
18 deposited into the Business District Tax Allocation Fund by the
19 municipality.

20 An ordinance or resolution imposing or discontinuing the
21 tax under this subsection or effecting a change in the rate
22 thereof shall either (i) be adopted and a certified copy
23 thereof filed with the Department on or before the first day of
24 April, whereupon the Department, if all other requirements of
25 this subsection are met, shall proceed to administer and
26 enforce this subsection as of the first day of July next
27 following the adoption and filing; or (ii) be adopted and a
28 certified copy thereof filed with the Department on or before
29 the first day of October, whereupon, if all other conditions of
30 this subsection are met, the Department shall proceed to
31 administer and enforce this subsection as of the first day of
32 January next following the adoption and filing.

33 The Department of Revenue shall not administer or enforce
34 an ordinance imposing, discontinuing, or changing the rate of

1 the tax under this subsection, until the municipality or
2 districts, as applicable, also provides, in the manner
3 prescribed by the Department, the boundaries of the ~~business~~
4 district area in such a way that the Department can determine
5 by its address whether a business is located in the ~~business~~
6 district area. The municipality or district, as applicable,
7 must provide this boundary information to the Department on or
8 before April 1 for administration and enforcement of the tax
9 under this subsection by the Department beginning on the
10 following July 1 and on or before October 1 for administration
11 and enforcement of the tax under this subsection by the
12 Department beginning on the following January 1. The Department
13 of Revenue shall not administer or enforce any change made to
14 the boundaries of a ~~business~~ district area until the
15 municipality or district, as applicable, reports the boundary
16 change to the Department in the manner prescribed by the
17 Department. The municipality must provide this boundary change
18 information to the Department on or before April 1 for
19 administration and enforcement by the Department of the change
20 beginning on the following July 1 and on or before October 1
21 for administration and enforcement by the Department of the
22 change beginning on the following January 1. The retailers in
23 the ~~business~~ district area shall be responsible for charging
24 the tax imposed under this subsection. If a retailer is
25 incorrectly included or excluded from the list of those
26 required to collect the tax under this subsection, both the
27 Department of Revenue and the retailer shall be held harmless
28 if they reasonably relied on information provided by the
29 municipality or district.

30 A municipality or district, as applicable, that imposes the
31 tax under this subsection must submit to the Department of
32 Revenue any other information as the Department may require for
33 the administration and enforcement of the tax.

34 Nothing in this subsection shall be construed to authorize

1 the municipality to impose a tax upon the privilege of engaging
2 in any business which under the Constitution of the United
3 States may not be made the subject of taxation by the State.

4 If a tax is imposed under this subsection (c), a tax shall
5 also be imposed under subsection (b) of this Section.

6 (d) By ordinance, a municipality that has established a
7 business district under this Division 74.3, or, by resolution,
8 a district established as a political subdivision in accordance
9 with this Division 74.3, may impose an occupation tax upon all
10 persons engaged in the business district area in the business
11 of renting, leasing, or letting rooms in a hotel, as defined in
12 the Hotel Operators' Occupation Tax Act, at a rate not to
13 exceed 1% of the gross rental receipts from the renting,
14 leasing, or letting of hotel rooms within the business
15 district, to be imposed only in 0.25% increments, excluding,
16 however, from gross rental receipts the proceeds of renting,
17 leasing, or letting to permanent residents of a hotel, as
18 defined in the Hotel Operators' Occupation Tax Act, and
19 proceeds from the tax imposed under subsection (c) of Section
20 13 of the Metropolitan Pier and Exposition Authority Act.

21 The tax imposed by the municipality or district, as
22 applicable, under this subsection and all civil penalties that
23 may be assessed as an incident to that tax shall be collected
24 and enforced by the municipality or district imposing the tax.
25 The municipality or district, as applicable, shall have full
26 power to administer and enforce this subsection, to collect all
27 taxes and penalties due under this subsection, to dispose of
28 taxes and penalties so collected in the manner provided in this
29 subsection, and to determine all rights to credit memoranda
30 arising on account of the erroneous payment of tax or penalty
31 under this subsection. In the administration of and compliance
32 with this subsection, the municipality, district and persons
33 who are subject to this subsection shall have the same rights,
34 remedies, privileges, immunities, powers, and duties, shall be

1 subject to the same conditions, restrictions, limitations,
2 penalties, and definitions of terms, and shall employ the same
3 modes of procedure as are employed with respect to a tax
4 adopted by the municipality under Section 8-3-14 of this Code.

5 Persons subject to any tax imposed under the authority
6 granted in this subsection may reimburse themselves for their
7 tax liability for that tax by separately stating that tax as an
8 additional charge, which charge may be stated in combination,
9 in a single amount, with State taxes imposed under the Hotel
10 Operators' Occupation Tax Act, and with any other tax.

11 Nothing in this subsection shall be construed to authorize
12 a municipality to impose a tax upon the privilege of engaging
13 in any business which under the Constitution of the United
14 States may not be made the subject of taxation by this State.

15 The proceeds of the tax imposed under this subsection shall
16 be deposited into the Business District Tax Allocation Fund.

17 (e) Obligations secured by the district allocation fund
18 pursuant to subsection (6) of Section 11-74.3-3 or subsection
19 (6) of Section 11-74.3-8 may be issued by the district, the
20 municipality, or other issuing authority to pay for the
21 business district project costs. These obligations shall be
22 retired from issued pursuant to subsection (14) of Section
23 11-74.3-3 shall be retired in the manner provided in the
24 ordinance authorizing the issuance of those obligations by the
25 receipts of taxes levied as authorized in subsections (11) and
26 (12) of Section 11-74.3-3 or subsections (11) and (12) of
27 Section 11-74.3-8 in the manner provided in the resolution of
28 the district authorizing the pledge of such funds to be
29 deposited in the district tax allocation fund. The district or
30 municipality, as applicable, may pledge all or any part of the
31 amounts in and to be deposited into the Business District
32 Allocation Fund to the payment of business district project
33 costs and obligations. subsections (12) and (13) of Section
34 11-74.3-3. The ordinance shall pledge all of the amounts in and

1 ~~to be deposited in the Business District Tax Allocation Fund to~~
2 ~~the payment of business district project costs and obligations.~~
3 ~~Obligations issued pursuant to subsection (14) of Section~~
4 ~~11-74.3-3 may be sold at public or private sale at a price~~
5 ~~determined by the corporate authorities of the municipality and~~
6 ~~no referendum approval of the electors shall be required as a~~
7 ~~condition to the issuance of those obligations.~~ The resolution
8 or ordinance authorizing the obligations may include ~~require~~
9 ~~that the obligations contain~~ a recital that they are issued
10 pursuant to either Section 11-74.3-3 or Section 11-74.3-8, as
11 applicable, subsection (14) of Section 11-74.3-3 and this
12 recital shall be conclusive evidence of their validity and of
13 the regularity of their issuance. These obligations shall bear
14 such date or dates and mature at such time or times not later
15 than 23 years from the date the resolution of the district
16 imposed the taxes authorized under this Division. No referendum
17 approval of the electors shall be required as a condition
18 precedent to the issuance of obligations pursuant to this
19 Division. The district, municipality, or other issuing
20 authority ~~The corporate authorities of the municipality~~ may
21 also issue its obligations to refund, in whole or in part,
22 obligations previously issued by the district, municipality,
23 or other issuing authority under the authority ~~of this Code,~~
24 whether at or prior to maturity, provided that the last of the
25 refunding obligations shall not mature later than 23 years from
26 the date the resolution of the district imposed the taxes
27 authorized under this Division. In the event a municipality
28 issues obligations under home rule powers or other legislative
29 authority, or another issuing authority issues obligations
30 under other legislative authority, and the proceeds of those
31 obligations are pledged to pay business district project costs,
32 the municipality or other issuing authority may, if it has
33 followed the procedures set forth in this Division, retire
34 those obligations from funds in the district tax allocation

1 fund in amount and in such manner as if those obligations had
2 been issued pursuant to the provisions of this Division. No
3 obligations issued pursuant to this Division shall. ~~All~~
4 ~~obligations issued pursuant to subsection (14) of Section~~
5 ~~11-74.3-3 shall not~~ be regarded as indebtedness of the
6 district, municipality, or other issuing authority issuing
7 those ~~the~~ obligations for the purpose of any limitation imposed
8 by law.

9 (f) When business district project costs ~~business district~~
10 ~~costs~~, including, without limitation, all district municipal
11 obligations financing business district project costs incurred
12 under either Section 11-74.3-3 or Section 11-74.3-8, as
13 applicable, Section 11-74.3-3 have been paid, any surplus funds
14 then remaining in the Business District Tax Allocation Fund
15 shall be distributed to the municipal treasurer for deposit
16 into the municipal general corporate fund. Upon payment of all
17 business district project costs and retirement of obligations,
18 but in no event more than 23 years after the date of adoption
19 of the ordinance or resolution approving the taxes imposed
20 pursuant to subsections (11) and (12) of Section 11-74.3-3 or
21 subsections (11) and (12) of Section 11-74.3-8, as applicable,
22 the district or municipality shall adopt a resolution ~~ordinance~~
23 ~~approving the business district development or redevelopment~~
24 ~~plan, the municipality shall adopt an ordinance~~ immediately
25 rescinding the taxes imposed pursuant to subsections (11) and
26 (12) of Section 11-74.3-3 or subsections (11) and (12) and (13)
27 of Section 11-74.3-8, as applicable ~~11-74.3-3~~.

28 (Source: P.A. 93-1053, eff. 1-1-05; 93-1089, eff. 3-7-05.)

29 (65 ILCS 5/11-74.3-12 new)

30 Sec. 11-74.3-12. Existing districts. Districts that were
31 established prior to the effective date of this amendatory Act
32 of the 94th General Assembly shall continue to operate and be
33 governed by the terms of this Division in effect prior to the

1 effective date of this amendatory Act of the 94th General
2 Assembly. A district established prior to the effective date of
3 this amendatory Act of the 94th General Assembly may become a
4 separate political subdivision of the State in accordance with
5 the terms of this amendatory Act of the 94th General Assembly
6 by the municipality by causing an amendment to be made to its
7 business district plan in accordance with the process provided
8 for in this amendatory Act of the 94th General Assembly, in
9 which case any taxes levied by the municipality within the
10 district prior to the district becoming a separate political
11 subdivision, shall automatically be rescinded, subject to
12 levying by the district of the taxes contemplated by this
13 Division in accordance with the procedures provided for in this
14 amendatory Act.

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