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1 AN ACT concerning libraries.

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

- Section 5. The Illinois Municipal Code is amended by changing Section 11-74.4-3 as follows:
- 6 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)
- Sec. 11-74.4-3. Definitions. The following terms, wherever used or referred to in this Division 74.4 shall have the following respective meanings, unless in any case a different meaning clearly appears from the context.
  - (a) For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to November 1, 1999 (the effective date of Public Act 91-478), "blighted area" shall have the meaning set forth in this Section prior to that date.
  - On and after November 1, 1999, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial 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

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which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area:

- (A) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.
  - (B) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.
- (C) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but limited to, surface cracking, crumbling, potholes, depressions, paving material, and loose protruding through paved surfaces.

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- Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.
- (E) Illegal use of individual structures. The use 6 7 of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to 8 presence of structures below minimum code 10 standards.
  - (F) Excessive vacancies. The presence of buildings unoccupied or under-utilized and that that are represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.
  - Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room window area ratios. Inadequate area t.o sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies

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preventing ingress and egress to and from all rooms and units within a building.

- (H) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.
- (I) Excessive land coverage and overcrowding of community facilities. structures and The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread

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

- (J) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.
- (K) Environmental clean-up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development redevelopment of the redevelopment project area.
- (L) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or

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

- The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.
- (2) If vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly

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present within the intent of the Act and (ii) reasonably part distributed throughout the vacant of the redevelopment project area to which it pertains:

- (A) Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.
- (B) Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.
- (C) Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last 5 years.
- Deterioration of (D) structures or site improvements in neighboring areas adjacent to the vacant land.
- (E) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as

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having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

- The total equalized assessed value of the (F) proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.
- (3) If vacant, the sound growth of the redevelopment project area is impaired by one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout

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the vacant part of the redevelopment project area to which 1 2 it pertains:

- (A) The area consists of one or more unused quarries, mines, or strip mine ponds.
- (B) The area consists of unused rail yards, rail tracks, or railroad rights-of-way.
- (C) The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.
- (D) The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.
- (E) Prior to November 1, 1999, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, the area has been

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designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

- (F) The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.
- (b) For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to November 1, 1999 (the effective date of Public Act 91-478), "conservation area" shall have the meaning set forth in this Section prior to that date.

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

(1) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in combination that a documented building condition analysis determines that major repair is required or the defects are

so serious and so extensive that the buildings must be removed.

- (2) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.
- (3) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.
- (4) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.
- (5) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.
- (6) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an

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adverse influence on the area because of the frequency, extent, or duration of the vacancies.

- Lack of ventilation, light, or (7) sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light ventilation means the absence or and inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, facilities, hot bathroom water and kitchens, structural inadequacies preventing ingress and egress to and from all rooms and units within a building.
- (8) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.
- (9) Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory

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facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

- (10) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to noxious, offensive, or unsuitable for the surrounding area.
- (11)Lack of community planning. The redevelopment project area was developed prior to or without the benefit or quidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the

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area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

- The area has incurred Illinois Environmental Protection Agency United States Environmental or Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.
- (13) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5

calendar years for which information is available.

- (c) "Industrial park" means an area in a blighted or conservation area suitable for use by any manufacturing, industrial, research or transportation enterprise, of facilities to include but not be limited to factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or railroad facilities.
- (d) "Industrial park conservation area" means an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 1/2 miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.
- (e) "Labor surplus municipality" means a municipality in which, at any time during the 6 months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6% and was also 100% or more of the national average unemployment rate for that same time as

- 1 published in the United States Department of Labor Bureau of
- 2 Labor Statistics publication entitled "The Employment
- 3 Situation" or its successor publication. For the purpose of
- 4 this subsection, if unemployment rate statistics for the
- 5 municipality are not available, the unemployment rate in the
- 6 municipality shall be deemed to be the same as the unemployment
- 7 rate in the principal county in which the municipality is
- 8 located.
- 9 (f) "Municipality" shall mean a city, village,
- 10 incorporated town, or a township that is located in the
- 11 unincorporated portion of a county with 3 million or more
- inhabitants, if the county adopted an ordinance that approved
- the township's redevelopment plan.
- 14 (g) "Initial Sales Tax Amounts" means the amount of taxes
- 15 paid under the Retailers' Occupation Tax Act, Use Tax Act,
- 16 Service Use Tax Act, the Service Occupation Tax Act, the
- 17 Municipal Retailers' Occupation Tax Act, and the Municipal
- 18 Service Occupation Tax Act by retailers and servicemen on
- 19 transactions at places located in a State Sales Tax Boundary
- during the calendar year 1985.
- 21 (g-1) "Revised Initial Sales Tax Amounts" means the amount
- 22 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
- 23 Act, Service Use Tax Act, the Service Occupation Tax Act, the
- 24 Municipal Retailers' Occupation Tax Act, and the Municipal
- 25 Service Occupation Tax Act by retailers and servicemen on
- 26 transactions at places located within the State Sales Tax

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Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

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

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

1 thereafter, the applicable period shall be the 12 months

2 beginning July 1 and ending June 30 to determine the tax

amounts received which shall have deducted therefrom the

certified Initial Sales Tax Amounts, the Adjusted Initial Sales

Tax Amounts or the Revised Initial Sales Tax Amounts, as the

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(i) "Net State Sales Tax Increment" means the sum of the following: (a) 80% of the first \$100,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; (b) 60% of the amount in excess of \$100,000 but not exceeding \$500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; and (c) 40% of all amounts in excess of \$500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary. If, however, a municipality established a tax increment financing district in a county with a population in excess of 3,000,000 before January 1, 1986, and the municipality entered into a contract or issued bonds after January 1, 1986, but before December 31, 1986, to finance redevelopment project costs within a State Sales Tax Boundary, then the Net State Sales Tax Increment means, for the fiscal years beginning July 1, 1990, and July 1, 1991, 100% of the State Sales Tax Increment annually generated within a State Sales Tax Boundary; and notwithstanding any other provision of this Act, for those fiscal years the Department of Revenue shall distribute to those municipalities 100% of their Net State Sales Tax Increment before any

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

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

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

(j) "State Utility Tax Increment Amount" means an amount equal to the aggregate increase in State electric and gas tax charges imposed on owners and tenants, other than residential customers, of properties located within the redevelopment project area under Section 9-222 of the Public Utilities Act, over and above the aggregate of such charges as certified by the Department of Revenue and paid by owners and tenants, other residential customers, of properties within redevelopment project area during the base year, which shall be the calendar year immediately prior to the year of the adoption of the ordinance authorizing tax increment allocation

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

Municipalities that issue bonds in connection with the redevelopment project during the period from June 1, 1988 until 3 years after the effective date of this Amendatory Act of 1988 shall receive the Net State Utility Tax Increment, subject to

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appropriation, for 15 State Fiscal Years after the issuance of such bonds. For the 16th through the 20th State Fiscal Years after issuance of the bonds, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in year 16; 80% in year 17; 70% in year 18; 60% in year 19; and 50% in year 20. Refunding of any bonds issued prior to June 1, 1988, shall not alter the revised Net State Utility Tax Increment payments set forth above.

- (1) "Obligations" mean bonds, loans, debentures, notes, special certificates or other evidence of indebtedness issued by the municipality to carry out a redevelopment project or to refund outstanding obligations.
- (m) "Payment in lieu of taxes" means those estimated tax revenues from real property in a redevelopment project area derived from real property that has been acquired by a municipality which according to the redevelopment project or plan is to be used for a private use which taxing districts would have received had a municipality not acquired the real property and adopted tax increment allocation financing and which would result from levies made after the time of the adoption of tax increment allocation financing to the time the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area.
  - (n) "Redevelopment plan" means the comprehensive program

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

objectives and shall include but not be limited to:

- (B) evidence indicating that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise;
- (C) an assessment of any financial impact of the redevelopment project area on or any increased demand for

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- services from any taxing district affected by the plan and any program to address such financial impact or increased demand;
  - (D) the sources of funds to pay costs;
  - (E) the nature and term of the obligations to be issued:
  - (F) the most recent equalized assessed valuation of the redevelopment project area;
  - (G) an estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the redevelopment project area;
  - (H) a commitment to fair employment practices and an affirmative action plan;
  - (I) if it concerns an industrial park conservation area, the plan shall also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class and number of new employees to be employed in the operation of the facilities to be developed; and
  - (J) if property is to be annexed to the municipality, the plan shall include the terms of the annexation agreement.

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

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

- (1) The municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan.
- (2) The municipality finds that the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted, the redevelopment plan and project either: (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning authority of the municipality, or (ii) includes land uses that have been approved by the planning commission of the municipality.
- (3) The redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs. Those dates may not be later than the dates set forth under Section 11-74.4-3.5.

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

- (3.5) The municipality finds, in the case of an industrial park conservation area, also t.hat. the municipality is a labor surplus municipality and that the implementation of the redevelopment plan will reduce unemployment, create new jobs and by the provision of new facilities enhance the tax base of the taxing districts that extend into the redevelopment project area.
- (4) If any incremental revenues are being utilized Section 8(a)(1) or 8(a)(2) of this Act under redevelopment project areas approved by ordinance after January 1, 1986, the municipality finds: (a) that the redevelopment project area would not reasonably developed without the use of such incremental revenues, and (b) that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.
- (5) If the redevelopment plan will not result in displacement of residents from 10 or more inhabited

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residential units, and the municipality certifies in the plan that such displacement will not result from the plan, a housing impact study need not be performed. If, however, the redevelopment plan would result in the displacement of residents from 10 or more inhabited residential units, or the redevelopment project area contains 75 or more inhabited residential units and no certification is made, then the municipality shall prepare, as part of the separate feasibility report required by subsection (a) of Section 11-74.4-5, a housing impact study.

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

Part II of the housing impact study shall identify the inhabited residential units in the proposed redevelopment project area that are to be or may be removed. If inhabited

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residential units are to be removed, then the housing impact study shall identify (i) the number and location of those units that will or may be removed, (ii) the municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences are to be removed, (iii) the availability of replacement housing for those residents whose residences are to be removed, and shall identify the type, location, and cost of the housing, and (iv) the type and extent of relocation assistance to be provided.

- (6) On and after November 1, 1999, the housing impact study required by paragraph (5) shall be incorporated in the redevelopment plan for the redevelopment project area.
- (7) On and after November 1, 1999, no redevelopment plan shall be adopted, nor an existing plan amended, nor shall residential housing that is occupied by households of low-income and very low-income persons in currently existing redevelopment project areas be removed after November 1, 1999 unless the redevelopment plan provides, with respect to inhabited housing units that are to be removed for households of low-income and very low-income persons, affordable housing and relocation assistance not less than that which would be provided under the federal Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under that Act, including the eligibility criteria. Affordable

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

- (8) On and after November 1, 1999, if, after the adoption of the redevelopment plan for the redevelopment project area, any municipality desires to amend its redevelopment plan to remove more inhabited residential units than specified in its original redevelopment plan, that change shall be made in accordance with the procedures in subsection (c) of Section 11-74.4-5.
- (9) For redevelopment project areas designated prior to November 1, 1999, the redevelopment plan may be amended without further joint review board meeting or hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested party registry, to authorize the municipality to expend tax increment revenues for redevelopment project costs defined by paragraphs (5) and (7.5), subparagraphs (E) and (F) of paragraph (11), and paragraph (11.5) of subsection (q) of Section 11-74.4-3, so long as the changes do not increase the total estimated

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redevelopment project costs set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted.

- (o) "Redevelopment project" means any public and private development project in furtherance of the objectives of a redevelopment plan. On and after November 1, 1999 effective date of Public Act 91-478), no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting.
- (p) "Redevelopment project area" means an area designated by the municipality, which is not less in the aggregate than 1 1/2 acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas.
- (p-1) Notwithstanding any provision of this Act to the contrary, on and after August 25, 2009 (the effective date of Public Act 96-680), a redevelopment project area may include areas within a one-half mile radius of an existing or proposed

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- Regional Transportation Authority Suburban Transit Access Route (STAR Line) station without a finding that the area is classified as an industrial park conservation area, a blighted area, a conservation area, or a combination thereof, but only if the municipality receives unanimous consent from the joint review board created to review the proposed redevelopment project area.
  - "Redevelopment project costs", (q) except for redevelopment project areas created pursuant to subsection (p-1), means and includes the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and redevelopment project. Such costs include, without limitation, the following:
    - (1) Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff costs for professional service architectural. and engineering, legal, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected; except that on and after November 1, 1999 (the effective date of Public Act 91-478), no contracts for professional services, excluding architectural engineering services, may be entered into if the terms of the contract extend beyond a period of 3 years. In

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addition, "redevelopment project costs" shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor;

- (1.5) After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan;
- of marketing sites (1.6)The cost within the redevelopment project area to prospective businesses, developers, and investors;
  - (2) Property assembly costs, including but not limited

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to acquisition of land and other property, real personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

- (3) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;
- (4) Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification, except that on and after November 1, 1999, redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference

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facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to November 1, 1999 or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;

- (5) Costs of job training and retraining projects, including the cost of "welfare to work" implemented by businesses located within the redevelopment project area;
- (6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;

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- (7) To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project.
- (7.5) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after November 1, 1999, an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:
  - (A) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new

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students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

- (i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;
- (ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

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

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

1	annual limitations:
2	(i) for unit school districts, no more than 40%
3	of the total amount of property tax increment
4	revenue produced by those housing units that have
5	received tax increment finance assistance under
6	this Act;
7	(ii) for elementary school districts, no more
8	than 27% of the total amount of property tax
9	increment revenue produced by those housing units
10	that have received tax increment finance
11	assistance under this Act; and
12	(iii) for secondary school districts, no more
13	than 13% of the total amount of property tax
14	increment revenue produced by those housing units
15	that have received tax increment finance
16	assistance under this Act.
17	(C) For any school district in a municipality with
18	a population in excess of 1,000,000, the following
19	restrictions shall apply to the reimbursement of
20	increased costs under this paragraph (7.5):
21	(i) no increased costs shall be reimbursed
22	unless the school district certifies that each of
23	the schools affected by the assisted housing
24	project is at or over its student capacity;
25	(ii) the amount reimbursable shall be reduced
26	by the value of any land donated to the school

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district by the municipality or developer, and by the value of any physical improvements made to the schools by the municipality or developer; and

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

Any school district seeking payment under this paragraph (7.5) shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.5). acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects;

(7.7) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units)

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on or after January 1, 2005 (the effective date of Public Act 93-961), a public library district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through with the municipality or because municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act shall be paid to the library district by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units. This paragraph (7.7) applies only if (i) the library district is located in a county that is subject to the Property Tax Extension Limitation Law or (ii) the library district is not located in a county that is subject to the Property Tax Extension Limitation Law but the district is prohibited by any other law from increasing its tax levy rate without a prior voter referendum.

The amount paid to a library district under this paragraph (7.7) shall be calculated by multiplying (i) the net increase in the number of persons eligible to obtain a library card in that district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the

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municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing necessary for sites the completion of that housing as authorized by this Act since the designation of the redevelopment project area by (ii) the per-patron cost of providing library services so long as it does not exceed \$120. The per-patron cost shall be the Total Operating Expenditures Per Capita for the library in the previous fiscal year as stated in the most recent Illinois Public Library Statistics produced by the Library Research Center at the University of Illinois. municipality may deduct from the amount that it must pay to a library district under this paragraph any amount that it has voluntarily paid to the library district from the tax increment revenue. The amount paid to a library district under this paragraph (7.7) shall be no more than 2% of the amount produced by the assisted housing units and deposited into the Special Tax Allocation Fund.

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

library district seeking payment under this paragraph (7.7) shall, after July 1 and before September 30

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of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.7). By acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects;

- (8) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law or in order to satisfy subparagraph (7) of subsection (n);
  - (9) Payment in lieu of taxes;
- (10) Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or

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career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code;

- (11) Interest cost incurred by a redeveloper related to construction, renovation or rehabilitation of redevelopment project provided that:
  - (A) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act:
  - (B) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project

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during that year;

- (C) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
- (D) the total of such interest payments paid pursuant to this Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act; and
- (E) the cost limits set forth in subparagraphs (B) and (D) of paragraph (11) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act. The percentage of 75% shall be substituted for 30% in subparagraphs (B) and (D) of paragraph (11).
- Instead of the eligible costs provided by subparagraphs (B) and (D) of paragraph (11), modified by this subparagraph, and notwithstanding any other provisions of this Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to

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occupied by low-income households and be low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under this Act or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction of that housing.

The eligible costs provided under this subparagraph (F) of paragraph (11) shall be an eligible cost for the construction, renovation, rehabilitation of all low and very low-income housing defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and low-income units shall be eligible for benefits under subparagraph (F) of paragraph (11). The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eliqible costs made available under

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the provisions of this subparagraph (F) of paragraph (11) shall be established by guidelines adopted by the municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants. The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later.

(11.5) If the redevelopment project area is located within a municipality with a population of more than 100,000, the cost of day care services for children of employees from low-income families working for businesses

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located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80% of the municipal, county, or regional median income, adjusted for family size, as the annual income and municipal, county, or regional median income are determined from time to time by the United States Department of Housing and Urban Development.

- Unless explicitly stated herein the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.
- (13) After November 1, 1999 (the effective date of Public Act 91-478), none of the redevelopment project costs this subsection shall eligible enumerated in be redevelopment project costs if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the

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opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current contained inadequate space, location had economically obsolete, or was no longer a viable location for the retailer or serviceman.

(14) No cost shall be a redevelopment project cost in a redevelopment project area if used to demolish, remove, or substantially modify a historic resource, after August 26, 2008 (the effective date of Public Act 95-934), unless no and feasible alternative exists. resource" for the purpose of this item (14) means (i) a place or structure that is included or eligible for inclusion on the National Register of Historic Places or (ii) a contributing structure in a district on the National Register of Historic Places. This item (14) does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.

If a special service area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax

- Law, then any tax increment revenues derived from the tax 1
- 2 imposed pursuant to the Special Service Area Tax Act or Special
- 3 Service Area Tax Law may be used within the redevelopment
- project area for the purposes permitted by that Act or Law as 4
- 5 well as the purposes permitted by this Act.
- 6 (q-1) For redevelopment project areas created pursuant to
- 7 subsection (p-1), redevelopment project costs are limited to
- 8 those costs in paragraph (q) that are related to the existing
- 9 or proposed Regional Transportation Authority Suburban Transit
- 10 Access Route (STAR Line) station.
- 11 (r) "State Sales Tax Boundary" means the redevelopment
- 12 project area or the amended redevelopment project area
- 13 boundaries which are determined pursuant to subsection (9) of
- Section 11-74.4-8a of this Act. The Department of Revenue shall 14
- 15 certify pursuant to subsection (9) of Section 11-74.4-8a the
- 16 appropriate boundaries eligible for the determination of State
- 17 Sales Tax Increment.
- (s) "State Sales Tax Increment" means an amount equal to 18
- 19 the increase in the aggregate amount of taxes paid by retailers
- 20 and servicemen, other than retailers and servicemen subject to
- 21 the Public Utilities Act, on transactions at places of business
- 22 located within a State Sales Tax Boundary pursuant to the
- 23 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
- Tax Act, and the Service Occupation Tax Act, except such 24
- 25 portion of such increase that is paid into the State and Local
- 26 Sales Tax Reform Fund, the Local Government Distributive Fund,

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the Local Government Tax Fund and the County and Mass Transit District Fund, for as long as State participation exists, over and above the Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for such taxes as certified by the Department of Revenue and paid under those Acts by retailers and servicemen on transactions at places of business located within the State Sales Tax Boundary during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing, less 3.0% of such amounts generated under the Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax Act and the Service Occupation Tax Act, which sum shall be appropriated to the Department of Revenue to cover its costs of administering and enforcing this Section. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall compute the Initial Sales Tax Amount for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amount". For purposes of determining the State Sales Tax Increment the Department of Revenue shall for each period subtract from the tax amounts received from retailers and servicemen on transactions located in the State Sales Tax Boundary, the certified Initial Sales Tax Amounts,

Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax 1 2 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act, 3 the Service Use Tax Act and the Service Occupation Tax Act. For the State Fiscal Year 1989 this calculation shall be made by 5 utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation 6 7 shall be made by utilizing the period from January 1, 1988, 8 until September 30, 1988, to determine the tax amounts received 9 from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax 10 11 Amounts, Adjusted Initial Sales Tax Amounts or the Revised 12 Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the 13 14 period from October 1, 1988, until June 30, 1989, to determine 15 the tax amounts received from retailers and servicemen, which 16 shall have deducted therefrom nine-twelfths of the certified 17 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax Sales Revised Initial 18 Amounts or the Tax Amounts as 19 appropriate. For every State Fiscal Year thereafter, the 20 applicable period shall be the 12 months beginning July 1 and ending on June 30, to determine the tax amounts received which 21 22 shall have deducted therefrom the certified Initial Sales Tax 23 Amounts, Adjusted Initial Sales Tax Amounts or the Revised 24 Initial Sales Tax Amounts. Municipalities intending to receive 25 a distribution of State Sales Tax Increment must report a list 26 of retailers to the Department of Revenue by October 31, 1988

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- and by July 31, of each year thereafter. 1
- 2 (t) "Taxing districts" means counties, townships, cities 3 and incorporated towns and villages, school, road, park, sanitary, mosquito abatement, forest preserve, public health, 5 fire protection, river conservancy, tuberculosis sanitarium and any other municipal corporations or districts with the 6 7 power to levy taxes.
  - (u) "Taxing districts' capital costs" means those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and directly result from the redevelopment project.
  - (v) As used in subsection (a) of Section 11-74.4-3 of this Act, "vacant land" means any parcel or combination of parcels without industrial, commercial, property residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950 to 1990, then the parcel shall be deemed to have been subdivided, and all proceedings and actions of the municipality taken in that connection with respect to any previously approved or designated redevelopment project area or amended redevelopment project area are hereby validated and hereby

municipality.

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- declared to be legally sufficient for all purposes of this Act. For purposes of this Section and only for land subject to the subdivision requirements of the Plat Act, land is subdivided when the original plat of the proposed Redevelopment Project Area or relevant portion thereof has been properly certified, acknowledged, approved, and recorded or filed in accordance with the Plat Act and a preliminary plat, if any, for any subsequent phases of the proposed Redevelopment Project Area or relevant portion thereof has been properly approved and filed accordance with the applicable ordinance of the
  - "Annual Total Increment" means the of sum each Sales Tax Increment municipality's annual Net and each municipality's annual Net Utility Tax Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.
  - "LEED certified" means any certification level of construction elements by a qualified Leadership in Energy and Environmental Design Accredited Professional as determined by the U.S. Green Building Council.
- (y) "Green Globes certified" means any certification level 24 25 construction elements by a qualified Green Globes 26 Professional as determined by the Green Building Initiative.

- 1 (Source: P.A. 95-15, eff. 7-16-07; 95-164, eff. 1-1-08; 95-331,
- 2 eff. 8-21-07; 95-346, eff. 8-21-07; 95-459, eff. 8-27-07;
- 3 95-653, eff. 1-1-08; 95-662, eff. 10-11-07; 95-683, eff.
- 4 10-19-07; 95-709, eff. 1-29-08; 95-876, eff. 8-21-08; 95-932,
- 5 eff. 8-26-08; 95-934, eff. 8-26-08; 95-964, eff. 9-23-08;
- 6 95-977, eff. 9-22-08; 95-1028, eff. 8-25-09 (see Section 5 of
- 7 P.A. 96-717 for the effective date of changes made by P.A.
- 8 95-1028); 96-328, eff. 8-11-09; 96-630, eff. 1-1-10; 96-680,
- 9 eff. 8-25-09; 96-1000, eff. 7-2-10.)
- 10 Section 10. The Illinois Local Library Act is amended by
- 11 changing Sections 4-9 and 4-10 as follows:
- 12 (75 ILCS 5/4-9) (from Ch. 81, par. 4-9)
- 13 Sec. 4-9. In townships and in cities, villages and
- incorporated towns having a population of 500,000 or less, the
- board of trustees shall require the treasurer of such board or
- 16 such other person as may be designated as the custodian of the
- moneys paid over to such board to give a bond to be approved by
- 18 such board and in such amount, not less than 50% of the total
- 19 funds received by the library in the last fiscal year,
- 20 conditioned that he will safely keep and pay over upon the
- order of such board all funds received and held by him for such
- 22 board of trustees. For a library in a city, village,
- incorporated town or township, the board of library trustees
- 24 may designate the treasurer of the corporate authority, or the

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supervisor in the case of a township, as the custodian of the 1 library fund, and the bond given by the treasurer or the supervisor shall satisfy the bond requirements of this section when properly endorsed. The cost of any surety bond shall be borne by the library. As an alternative to a personal bond on the treasurer or custodian of funds, the board of trustees may 7 require the treasurer or custodian to secure for the library an insurance policy or other insurance instrument that provides the library with coverage for negligent or intentional acts by library officials and employees that could result in the loss of library funds. The coverage shall be in an amount at least 12 equal to 50% of the average amount of the library's operating fund from the prior 3 fiscal years. The coverage shall be placed with an insurer approved by the board. The cost of any such coverage shall be borne by the library. The library shall 15 16 provide the Illinois State Library a copy of the library's 17 certificate of insurance at the time the library's annual report is filed.

19 (Source: P.A. 85-751.)

20 (75 ILCS 5/4-10) (from Ch. 81, par. 4-10)

> Sec. 4-10. Within 60  $\frac{30}{4}$  days after the expiration of each fiscal year of the city, incorporated town, village or township, the board of trustees shall make a report of the condition of their trust on the last day of the fiscal year, to the city council, board of trustees or board of town trustees,

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as the case may be. This report shall be made in writing and shall be verified under oath by the secretary, or some other responsible officer of the board of trustees. It shall contain (1) an itemized statement of the various sums of money received from the library fund and from other sources; (2) an itemized statement of the objects and purposes for which those sums of money have been expended; (3) a statement of the number of books and periodicals available for use, and the number and character thereof circulated; (4) a statement of the real and personal property acquired by legacy, purchase, gift or otherwise; (5) a statement of the character of any extensions of library service which have been undertaken; (6) a statement of the financial requirements of the library for the ensuing fiscal year for inclusion in the appropriation of the corporate authority, and of the amount of money which, in the judgment of the board of library trustees, it will be necessary to levy for library purposes in the next annual tax levy ordinance; (7) a statement as to the amount of accumulations and the reasons therefor; (8) a statement as to any outstanding liabilities including those for bonds still outstanding or amounts due for judgments, settlements, liability insurance, or for amounts due under a certificate of the board; (9) any other statistics, information and suggestions that may be of interest. A report shall also be filed, at the same time, with the Illinois State Library. The board of trustees in a township shall also submit its appropriation and levy determinations to the Board of

- 1 Township Trustees as provided in "The Illinois Municipal Budget
- 2 Law", as amended.

- 3 (Source: P.A. 84-770.)
- 4 Section 15. The Illinois Library System Act is amended by
- 5 changing Section 5 as follows:
- 6 (75 ILCS 10/5) (from Ch. 81, par. 115)
- 7 Sec. 5. Each library system created as provided in Section 8 4 of this Act shall be governed by a board of directors 9 numbering at least 5 and no more than 15 persons, except as 10 required by Section 6 for library systems in cities with a 11 500,000 board population of or more. The representative of the variety of library interests in the 12 13 system, and at least a majority shall be elected or selected 14 from the governing boards of the member public libraries, with 15 not more than one director representing a single member library. For library systems as defined in subparagraph (3) of 16 the definition of "library system" in Section 2, the board 17 18 members shall be representative of the types of libraries that library system serves. The number of directors, the manner of 19 20 election or selection, the term of office and the provision for 21 filling vacancies shall be determined by the system governing board except that all board members must be eligible electors 22 23 in the geographical area of the system. No director of any

library system, however, shall be permitted to serve for more

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than a total of 6 years unless 2 years have elapsed since his 1 2 sixth year of service.

The board of directors shall elect a president, secretary and treasurer. Before entering upon his duties, the treasurer shall be required to give a bond in an amount to be approved by the board, but in no case shall such amount be less than 50% of the system's area and per capita grant for the previous year, conditioned that he will safely keep and pay over upon the order of such board all funds received and held by him for the library system. As an alternative to a personal bond on the treasurer, the board of trustees may require the treasurer to secure for the system an insurance policy or other insurance instrument that provides the library with coverage for negligent or intentional acts by system officials and employees that could result in the loss of system funds. The coverage shall be in an amount at least equal to 50% of the average amount of the system's operating fund from the prior 3 fiscal years. The coverage shall be placed with an insurer approved by the board. The cost of any such coverage shall be borne by the system. The system shall provide the Illinois State Library a copy of the system's certificate of insurance at the time the system's annual report is filed. The funds of the library system shall be deposited in a bank or savings and loan association designated by the board of directors and shall be expended only under the direction of such board upon properly authenticated vouchers.

- No bank or savings and loan association shall receive 1
- 2 public funds as permitted by this Section, unless it has
- 3 complied with the requirements established pursuant to Section
- 6 of the Public Funds Investment Act. 4
- The members of the board of directors of the library system
- 6 shall serve without compensation but their actual and necessary
- 7 expenses shall be a proper charge against the library fund.
- (Source: P.A. 93-527, eff. 8-14-03.) 8
- 9 Section 20. The Public Library District Act of 1991 is
- 10 amended by changing Section 30-45 as follows:
- 11 (75 ILCS 16/30-45)
- Sec. 30-45. Duties of officers. 12
- 13 (a) The duties of the officers of the board are as provided
- 14 in this Section.
- 15 (b) The president shall preside over all meetings, appoint
- authorized 16 of committees the members by district's
- 17 regulations, and perform other duties specified by the
- district's regulations, ordinances, or other appropriate 18
- action. In the president's absence, the vice president shall 19
- 20 preside at meetings. The president shall not have or exercise
- 21 veto powers.
- (c) The vice president's duties shall be prescribed by 22
- 23 regulations.
- 24 (d) The treasurer shall keep and maintain accounts and

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records of the district during the treasurer's term in office, 1 2 indicating in those accounts and records a record of all

receipts, disbursements, and balances in any funds.

Annual audit and financial report requirements shall conform with Section 3 of the Governmental Account Audit Act.

- The treasurer shall give bond to the district to faithfully discharge the duties of the office and to account to the district for all district funds coming into the treasurer's hands. The bond shall be in an amount and with sureties approved by the board. The amount of the bond shall be based upon a minimum of 50% of the total funds received by the district in the last previous fiscal year. The cost of any surety bond shall be borne by the district. As an alternative to a personal bond on the treasurer, the treasurer may secure for the district an insurance policy or other insurance instrument that provides the district with coverage for negligent or intentional acts by district officials and employees that could result in the loss of district funds. The coverage shall be in an amount at least equal to 50% of the average amount of the district's operating fund from the prior 3 fiscal years. The coverage shall be placed with an insurer approved by the board. The cost of any such coverage shall be borne by the district. The system shall provide the Illinois State Library a copy of the district's certificate of insurance at the time the district's annual report is filed.
  - (f) Any person, entity, or public body or agency possessing

- district funds, property, or records shall, upon demand by any 1
- 2 trustee, transfer and release the funds, property, or records
- 3 to the treasurer.
- (g) The secretary shall keep and maintain appropriate
- 5 records for his or her term in office and shall include in
- 6 those records a record of the minutes of all meetings, the
- 7 names of those in attendance, the ordinances enacted, the
- 8 resolutions and regulations adopted, and all other pertinent
- 9 written matter affecting the operation of the district. The
- 10 secretary may administer oaths and affirmations for the
- 11 purposes of this Act.
- 12 (Source: P.A. 87-1277; 88-442.)
- Section 99. Effective date. This Act takes effect January 13
- 14 1, 2012.