

HB1144



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1144

by Rep. Charles E. Jefferson

SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-74.6-10

Amends the Industrial Jobs Recovery Law in the Illinois Municipal Code. Provides that an area shall not be designated as a redevelopment planning area for more than 10 years (instead of 5 years). Makes corresponding changes.

LRB095 06429 HLH 26530 b

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by
5 changing Section 11-74.6-10 as follows:

6 (65 ILCS 5/11-74.6-10)

7 Sec. 11-74.6-10. Definitions.

8 (a) "Environmentally contaminated area" means any improved
9 or vacant area within the boundaries of a redevelopment project
10 area located within the corporate limits of a municipality
11 when, (i) there has been a determination of release or
12 substantial threat of release of a hazardous substance or
13 pesticide, by the United States Environmental Protection
14 Agency or the Illinois Environmental Protection Agency, or the
15 Illinois Pollution Control Board, or any court, or a release or
16 substantial threat of release which is addressed as part of the
17 Pre-Notice Site Cleanup Program under Section 22.2(m) of the
18 Illinois Environmental Protection Act, or a release or
19 substantial threat of release of petroleum under Section 22.12
20 of the Illinois Environmental Protection Act, and (ii) which
21 release or threat of release presents an imminent and
22 substantial danger to public health or welfare or presents a
23 significant threat to public health or the environment, and

1 (iii) which release or threat of release would have a
2 significant impact on the cost of redeveloping the area.

3 (b) "Department" means the Department of Commerce and
4 Economic Opportunity.

5 (c) "Industrial park" means an area in a redevelopment
6 project area suitable for use by any manufacturing, industrial,
7 research, or transportation enterprise, of facilities,
8 including but not limited to factories, mills, processing
9 plants, assembly plants, packing plants, fabricating plants,
10 distribution centers, warehouses, repair overhaul or service
11 facilities, freight terminals, research facilities, test
12 facilities or railroad facilities. An industrial park may
13 contain space for commercial and other use as long as the
14 expected principal use of the park is industrial and is
15 reasonably expected to result in the creation of a significant
16 number of new permanent full time jobs. An industrial park may
17 also contain related operations and facilities including, but
18 not limited to, business and office support services such as
19 centralized computers, telecommunications, publishing,
20 accounting, photocopying and similar activities and employee
21 services such as child care, health care, food service and
22 similar activities. An industrial park may also include
23 demonstration projects, prototype development, specialized
24 training on developing technology, and pure research in any
25 field related or adaptable to business and industry.

26 (d) "Research park" means an area in a redevelopment

1 project area suitable for development of a facility or complex
2 that includes research laboratories and related operations.
3 These related operations may include, but are not limited to,
4 business and office support services such as centralized
5 computers, telecommunications, publishing, accounting,
6 photocopying and similar activities, and employee services
7 such as child care, health care, food service and similar
8 activities. A research park may include demonstration
9 projects, prototype development, specialized training on
10 developing technology, and pure research in any field related
11 or adaptable to business and industry.

12 (e) "Industrial park conservation area" means an area
13 within the boundaries of a redevelopment project area located
14 within the corporate limits of a municipality or within 1 1/2
15 miles of the corporate limits of a municipality if the area is
16 to be annexed to the municipality, if the area is zoned as
17 industrial no later than the date on which the municipality by
18 ordinance designates the redevelopment project area, and if the
19 area includes improved or vacant land suitable for use as an
20 industrial park or a research park, or both. To be designated
21 as an industrial park conservation area, the area shall also
22 satisfy one of the following standards:

23 (1) Standard One: The municipality must be a labor
24 surplus municipality and the area must be served by
25 adequate public and or road transportation for access by
26 the unemployed and for the movement of goods or materials

1 and the redevelopment project area shall contain no more
2 than 2% of the most recently ascertained equalized assessed
3 value of all taxable real properties within the corporate
4 limits of the municipality after adjustment for all
5 annexations associated with the establishment of the
6 redevelopment project area or be located in the vicinity of
7 a waste disposal site or other waste facility. The project
8 plan shall include a plan for and shall establish a
9 marketing program to attract appropriate businesses to the
10 proposed industrial park conservation area and shall
11 include an adequate plan for financing and construction of
12 the necessary infrastructure. No redevelopment projects
13 may be authorized by the municipality under Standard One of
14 subsection (e) of this Section unless the project plan also
15 provides for an employment training project that would
16 prepare unemployed workers for work in the industrial park
17 conservation area, and the project has been approved by
18 official action of or is to be operated by the local
19 community college district, public school district or
20 state or locally designated private industry council or
21 successor agency, or

22 (2) Standard Two: The municipality must be a
23 substantial labor surplus municipality and the area must be
24 served by adequate public and or road transportation for
25 access by the unemployed and for the movement of goods or
26 materials and the redevelopment project area shall contain

1 no more than 2% of the most recently ascertained equalized
2 assessed value of all taxable real properties within the
3 corporate limits of the municipality after adjustment for
4 all annexations associated with the establishment of the
5 redevelopment project area. No redevelopment projects may
6 be authorized by the municipality under Standard Two of
7 subsection (e) of this Section unless the project plan also
8 provides for an employment training project that would
9 prepare unemployed workers for work in the industrial park
10 conservation area, and the project has been approved by
11 official action of or is to be operated by the local
12 community college district, public school district or
13 state or locally designated private industry council or
14 successor agency.

15 (f) "Vacant industrial buildings conservation area" means
16 an area containing one or more industrial buildings located
17 within the corporate limits of the municipality that has been
18 zoned industrial for at least 5 years before the designation of
19 that area as a redevelopment project area by the municipality
20 and is planned for reuse principally for industrial purposes.
21 For the area to be designated as a vacant industrial buildings
22 conservation area, the area shall also satisfy one of the
23 following standards:

24 (1) Standard One: The area shall consist of one or more
25 industrial buildings totaling at least 50,000 net square
26 feet of industrial space, with a majority of the total area

1 of all the buildings having been vacant for at least 18
2 months; and (A) the area is located in a labor surplus
3 municipality or a substantial labor surplus municipality,
4 or (B) the equalized assessed value of the properties
5 within the area during the last 2 years is at least 25%
6 lower than the maximum equalized assessed value of those
7 properties during the immediately preceding 10 years.

8 (2) Standard Two: The area exclusively consists of
9 industrial buildings or a building complex operated by a
10 user or related users (A) that has within the immediately
11 preceding 5 years either (i) employed 200 or more employees
12 at that location, or (ii) if the area is located in a
13 municipality with a population of 12,000 or less, employed
14 more than 50 employees at that location and (B) either is
15 currently vacant, or the owner has: (i) directly notified
16 the municipality of the user's intention to terminate
17 operations at the facility or (ii) filed a notice of
18 closure under the Worker Adjustment and Retraining
19 Notification Act.

20 (g) "Labor surplus municipality" means a municipality in
21 which, during the 4 calendar years immediately preceding the
22 date the municipality by ordinance designates an industrial
23 park conservation area, the average unemployment rate was 1% or
24 more over the State average unemployment rate for that same
25 period of time as published in the United States Department of
26 Labor Bureau of Labor Statistics publication entitled "The

1 Employment Situation" or its successor publication. For the
2 purpose of this subsection (g), if unemployment rate statistics
3 for the municipality are not available, the unemployment rate
4 in the municipality shall be deemed to be: (i) for a
5 municipality that is not in an urban county, the same as the
6 unemployment rate in the principal county where the
7 municipality is located or (ii) for a municipality in an urban
8 county at that municipality's option, either the unemployment
9 rate certified for the municipality by the Department after
10 consultation with the Illinois Department of Labor or the
11 federal Bureau of Labor Statistics, or the unemployment rate of
12 the municipality as determined by the most recent federal
13 census if that census was not dated more than 5 years prior to
14 the date on which the determination is made.

15 (h) "Substantial labor surplus municipality" means a
16 municipality in which, during the 5 calendar years immediately
17 preceding the date the municipality by ordinance designates an
18 industrial park conservation area, the average unemployment
19 rate was 2% or more over the State average unemployment rate
20 for that same period of time as published in the United States
21 Department of Labor Statistics publication entitled "The
22 Employment Situation" or its successor publication. For the
23 purpose of this subsection (h), if unemployment rate statistics
24 for the municipality are not available, the unemployment rate
25 in the municipality shall be deemed to be: (i) for a
26 municipality that is not in an urban county, the same as the

1 unemployment rate in the principal county in which the
2 municipality is located; or (ii) for a municipality in an urban
3 county, at that municipality's option, either the unemployment
4 rate certified for the municipality by the Department after
5 consultation with the Illinois Department of Labor or the
6 federal Bureau of Labor Statistics, or the unemployment rate of
7 the municipality as determined by the most recent federal
8 census if that census was not dated more than 5 years prior to
9 the date on which the determination is made.

10 (i) "Municipality" means a city, village or incorporated
11 town.

12 (j) "Obligations" means bonds, loans, debentures, notes,
13 special certificates or other evidence of indebtedness issued
14 by the municipality to carry out a redevelopment project or to
15 refund outstanding obligations.

16 (k) "Payment in lieu of taxes" means those estimated tax
17 revenues from real property in a redevelopment project area
18 derived from real property that has been acquired by a
19 municipality, which according to the redevelopment project or
20 plan are to be used for a private use, that taxing districts
21 would have received had a municipality not acquired the real
22 property and adopted tax increment allocation financing and
23 that would result from levies made after the time of the
24 adoption of tax increment allocation financing until the time
25 the current equalized assessed value of real property in the
26 redevelopment project area exceeds the total initial equalized

1 assessed value of real property in that area.

2 (1) "Redevelopment plan" means the comprehensive program
3 of the municipality for development or redevelopment intended
4 by the payment of redevelopment project costs to reduce or
5 eliminate the conditions that qualified the redevelopment
6 project area or redevelopment planning area, or both, as an
7 environmentally contaminated area or industrial park
8 conservation area, or vacant industrial buildings conservation
9 area, or combination thereof, and thereby to enhance the tax
10 bases of the taxing districts that extend into the
11 redevelopment project area or redevelopment planning area. On
12 and after the effective date of this amendatory Act of the 91st
13 General Assembly, no redevelopment plan may be approved or
14 amended to include the development of vacant land (i) with a
15 golf course and related clubhouse and other facilities or (ii)
16 designated by federal, State, county, or municipal government
17 as public land for outdoor recreational activities or for
18 nature preserves and used for that purpose within 5 years prior
19 to the adoption of the redevelopment plan. For the purpose of
20 this subsection, "recreational activities" is limited to mean
21 camping and hunting. Each redevelopment plan must set forth in
22 writing the bases for the municipal findings required in this
23 subsection, the program to be undertaken to accomplish the
24 objectives, including but not limited to: (1) an itemized list
25 of estimated redevelopment project costs, (2) evidence
26 indicating that the redevelopment project area or the

1 redevelopment planning area, or both, on the whole has not been
2 subject to growth and development through investment by private
3 enterprise, (3) (i) in the case of an environmentally
4 contaminated area, industrial park conservation area, or a
5 vacant industrial buildings conservation area classified under
6 either Standard One, or Standard Two of subsection (f) where
7 the building is currently vacant, evidence that implementation
8 of the redevelopment plan is reasonably expected to create a
9 significant number of permanent full time jobs, (ii) in the
10 case of a vacant industrial buildings conservation area
11 classified under Standard Two (B)(i) or (ii) of subsection (f),
12 evidence that implementation of the redevelopment plan is
13 reasonably expected to retain a significant number of existing
14 permanent full time jobs, and (iii) in the case of a
15 combination of an environmentally contaminated area,
16 industrial park conservation area, or vacant industrial
17 buildings conservation area, evidence that the standards
18 concerning the creation or retention of jobs for each area set
19 forth in (i) or (ii) above are met, (4) an assessment of the
20 financial impact of the redevelopment project area or the
21 redevelopment planning area, or both, on the overlapping taxing
22 bodies or any increased demand for services from any taxing
23 district affected by the plan and any program to address such
24 financial impact or increased demand, (5) the sources of funds
25 to pay costs, (6) the nature and term of the obligations to be
26 issued, (7) the most recent equalized assessed valuation of the

1 redevelopment project area or the redevelopment planning area,
2 or both, (8) an estimate of the equalized assessed valuation
3 after redevelopment and the general land uses that are applied
4 in the redevelopment project area or the redevelopment planning
5 area, or both, (9) a commitment to fair employment practices
6 and an affirmative action plan, (10) if it includes an
7 industrial park conservation area, the following: (i) a general
8 description of any proposed developer, (ii) user and tenant of
9 any property, (iii) a description of the type, structure and
10 general character of the facilities to be developed, and (iv) a
11 description of the type, class and number of new employees to
12 be employed in the operation of the facilities to be developed,
13 (11) if it includes an environmentally contaminated area, the
14 following: either (i) a determination of release or substantial
15 threat of release of a hazardous substance or pesticide or of
16 petroleum by the United States Environmental Protection Agency
17 or the Illinois Environmental Protection Agency, or the
18 Illinois Pollution Control Board or any court; or (ii) both an
19 environmental audit report by a nationally recognized
20 independent environmental auditor having a reputation for
21 expertise in these matters and a copy of the signed Review and
22 Evaluation Services Agreement indicating acceptance of the
23 site by the Illinois Environmental Protection Agency into the
24 Pre-Notice Site Cleanup Program, (12) if it includes a vacant
25 industrial buildings conservation area, the following: (i) a
26 general description of any proposed developer, (ii) user and

1 tenant of any building or buildings, (iii) a description of the
2 type, structure and general character of the building or
3 buildings to be developed, and (iv) a description of the type,
4 class and number of new employees to be employed or existing
5 employees to be retained in the operation of the building or
6 buildings to be redeveloped, and (13) if property is to be
7 annexed to the municipality, the terms of the annexation
8 agreement.

9 No redevelopment plan shall be adopted by a municipality
10 without findings that:

11 (1) the redevelopment project area or redevelopment
12 planning area, or both, on the whole has not been subject
13 to growth and development through investment by private
14 enterprise and would not reasonably be anticipated to be
15 developed in accordance with public goals stated in the
16 redevelopment plan without the adoption of the
17 redevelopment plan;

18 (2) the redevelopment plan and project conform to the
19 comprehensive plan for the development of the municipality
20 as a whole, or, for municipalities with a population of
21 100,000 or more, regardless of when the redevelopment plan
22 and project was adopted, the redevelopment plan and project
23 either: (i) conforms to the strategic economic development
24 or redevelopment plan issued by the designated planning
25 authority of the municipality or (ii) includes land uses
26 that have been approved by the planning commission of the

1 municipality;

2 (3) that the redevelopment plan is reasonably expected
3 to create or retain a significant number of permanent full
4 time jobs as set forth in paragraph (3) of subsection (1)
5 above;

6 (4) the estimated date of completion of the
7 redevelopment project and retirement of obligations
8 incurred to finance redevelopment project costs is not
9 later than December 31 of the year in which the payment to
10 the municipal treasurer as provided in subsection (b) of
11 Section 11-74.6-35 is to be made with respect to ad valorem
12 taxes levied in the twenty-third calendar year after the
13 year in which the ordinance approving the redevelopment
14 project area is adopted; a municipality may by municipal
15 ordinance amend an existing redevelopment plan to conform
16 to this paragraph (4) as amended by this amendatory Act of
17 the 91st General Assembly concerning ordinances adopted on
18 or after January 15, 1981, which municipal ordinance may be
19 adopted without further hearing or notice and without
20 complying with the procedures provided in this Law
21 pertaining to an amendment to or the initial approval of a
22 redevelopment plan and project and designation of a
23 redevelopment project area;

24 (5) in the case of an industrial park conservation
25 area, that the municipality is a labor surplus municipality
26 or a substantial labor surplus municipality and that the

1 implementation of the redevelopment plan is reasonably
2 expected to create a significant number of permanent full
3 time new jobs and, by the provision of new facilities,
4 significantly enhance the tax base of the taxing districts
5 that extend into the redevelopment project area;

6 (6) in the case of an environmentally contaminated
7 area, that the area is subject to a release or substantial
8 threat of release of a hazardous substance, pesticide or
9 petroleum which presents an imminent and substantial
10 danger to public health or welfare or presents a
11 significant threat to public health or environment, that
12 such release or threat of release will have a significant
13 impact on the cost of redeveloping the area, that the
14 implementation of the redevelopment plan is reasonably
15 expected to result in the area being redeveloped, the tax
16 base of the affected taxing districts being significantly
17 enhanced thereby, and the creation of a significant number
18 of permanent full time jobs; and

19 (7) in the case of a vacant industrial buildings
20 conservation area, that the area is located within the
21 corporate limits of a municipality that has been zoned
22 industrial for at least 5 years before its designation as a
23 project redeveloped area, that it contains one or more
24 industrial buildings, and whether the area has been
25 designated under Standard One or Standard Two of subsection
26 (f) and the basis for that designation.

1 (m) "Redevelopment project" means any public or private
2 development project in furtherance of the objectives of a
3 redevelopment plan. On and after the effective date of this
4 amendatory Act of the 91st General Assembly, no redevelopment
5 plan may be approved or amended to include the development of
6 vacant land (i) with a golf course and related clubhouse and
7 other facilities or (ii) designated by federal, State, county,
8 or municipal government as public land for outdoor recreational
9 activities or for nature preserves and used for that purpose
10 within 5 years prior to the adoption of the redevelopment plan.
11 For the purpose of this subsection, "recreational activities"
12 is limited to mean camping and hunting.

13 (n) "Redevelopment project area" means a contiguous area
14 designated by the municipality that is not less in the
15 aggregate than 1 1/2 acres, and for which the municipality has
16 made a finding that there exist conditions that cause the area
17 to be classified as an industrial park conservation area, a
18 vacant industrial building conservation area, an
19 environmentally contaminated area or a combination of these
20 types of areas.

21 (o) "Redevelopment project costs" means the sum total of
22 all reasonable or necessary costs incurred or estimated to be
23 incurred by the municipality, and any of those costs incidental
24 to a redevelopment plan and a redevelopment project. These
25 costs include, without limitation, the following:

26 (1) Costs of studies, surveys, development of plans,

1 and specifications, implementation and administration of
2 the redevelopment plan, staff and professional service
3 costs for architectural, engineering, legal, marketing,
4 financial, planning, or other services, but no charges for
5 professional services may be based on a percentage of the
6 tax increment collected; except that on and after the
7 effective date of this amendatory Act of the 91st General
8 Assembly, no contracts for professional services,
9 excluding architectural and engineering services, may be
10 entered into if the terms of the contract extend beyond a
11 period of 3 years. In addition, "redevelopment project
12 costs" shall not include lobbying expenses. After
13 consultation with the municipality, each tax increment
14 consultant or advisor to a municipality that plans to
15 designate or has designated a redevelopment project area
16 shall inform the municipality in writing of any contracts
17 that the consultant or advisor has entered into with
18 entities or individuals that have received, or are
19 receiving, payments financed by tax increment revenues
20 produced by the redevelopment project area with respect to
21 which the consultant or advisor has performed, or will be
22 performing, service for the municipality. This requirement
23 shall be satisfied by the consultant or advisor before the
24 commencement of services for the municipality and
25 thereafter whenever any other contracts with those
26 individuals or entities are executed by the consultant or

1 advisor;

2 (1.5) After July 1, 1999, annual administrative costs
3 shall not include general overhead or administrative costs
4 of the municipality that would still have been incurred by
5 the municipality if the municipality had not designated a
6 redevelopment project area or approved a redevelopment
7 plan;

8 (1.6) The cost of marketing sites within the
9 redevelopment project area to prospective businesses,
10 developers, and investors.

11 (2) Property assembly costs within a redevelopment
12 project area, including but not limited to acquisition of
13 land and other real or personal property or rights or
14 interests therein.

15 (3) Site preparation costs, including but not limited
16 to clearance of any area within a redevelopment project
17 area by demolition or removal of any existing buildings,
18 structures, fixtures, utilities and improvements and
19 clearing and grading; and including installation, repair,
20 construction, reconstruction, or relocation of public
21 streets, public utilities, and other public site
22 improvements within or without a redevelopment project
23 area which are essential to the preparation of the
24 redevelopment project area for use in accordance with a
25 redevelopment plan.

26 (4) Costs of renovation, rehabilitation,

1 reconstruction, relocation, repair or remodeling of any
2 existing public or private buildings, improvements, and
3 fixtures within a redevelopment project area; and the cost
4 of replacing an existing public building if pursuant to the
5 implementation of a redevelopment project the existing
6 public building is to be demolished to use the site for
7 private investment or devoted to a different use requiring
8 private investment.

9 (5) Costs of construction within a redevelopment
10 project area of public improvements, including but not
11 limited to, buildings, structures, works, utilities or
12 fixtures, except that on and after the effective date of
13 this amendatory Act of the 91st General Assembly,
14 redevelopment project costs shall not include the cost of
15 constructing a new municipal public building principally
16 used to provide offices, storage space, or conference
17 facilities or vehicle storage, maintenance, or repair for
18 administrative, public safety, or public works personnel
19 and that is not intended to replace an existing public
20 building as provided under paragraph (4) unless either (i)
21 the construction of the new municipal building implements a
22 redevelopment project that was included in a redevelopment
23 plan that was adopted by the municipality prior to the
24 effective date of this amendatory Act of the 91st General
25 Assembly or (ii) the municipality makes a reasonable
26 determination in the redevelopment plan, supported by

1 information that provides the basis for that
2 determination, that the new municipal building is required
3 to meet an increase in the need for public safety purposes
4 anticipated to result from the implementation of the
5 redevelopment plan.

6 (6) Costs of eliminating or removing contaminants and
7 other impediments required by federal or State
8 environmental laws, rules, regulations, and guidelines,
9 orders or other requirements or those imposed by private
10 lending institutions as a condition for approval of their
11 financial support, debt or equity, for the redevelopment
12 projects, provided, however, that in the event (i) other
13 federal or State funds have been certified by an
14 administrative agency as adequate to pay these costs during
15 the 18 months after the adoption of the redevelopment plan,
16 or (ii) the municipality has been reimbursed for such costs
17 by persons legally responsible for them, such federal,
18 State, or private funds shall, insofar as possible, be
19 fully expended prior to the use of any revenues deposited
20 in the special tax allocation fund of the municipality and
21 any other such federal, State or private funds received
22 shall be deposited in the fund. The municipality shall seek
23 reimbursement of these costs from persons legally
24 responsible for these costs and the costs of obtaining this
25 reimbursement.

26 (7) Costs of job training and retraining projects.

1 (8) Financing costs, including but not limited to all
2 necessary and incidental expenses related to the issuance
3 of obligations and which may include payment of interest on
4 any obligations issued under this Act including interest
5 accruing during the estimated period of construction of any
6 redevelopment project for which the obligations are issued
7 and for not exceeding 36 months thereafter and including
8 reasonable reserves related to those costs.

9 (9) All or a portion of a taxing district's capital
10 costs resulting from the redevelopment project necessarily
11 incurred or to be incurred in furtherance of the objectives
12 of the redevelopment plan and project, to the extent the
13 municipality by written agreement accepts and approves
14 those costs.

15 (10) Relocation costs to the extent that a municipality
16 determines that relocation costs shall be paid or is
17 required to make payment of relocation costs by federal or
18 State law.

19 (11) Payments in lieu of taxes.

20 (12) Costs of job training, retraining, advanced
21 vocational education or career education, including but
22 not limited to courses in occupational, semi-technical or
23 technical fields leading directly to employment, incurred
24 by one or more taxing districts, if those costs are: (i)
25 related to the establishment and maintenance of additional
26 job training, advanced vocational education or career

1 education programs for persons employed or to be employed
2 by employers located in a redevelopment project area; and
3 (ii) are incurred by a taxing district or taxing districts
4 other than the municipality and are set forth in a written
5 agreement by or among the municipality and the taxing
6 district or taxing districts, which agreement describes
7 the program to be undertaken, including but not limited to
8 the number of employees to be trained, a description of the
9 training and services to be provided, the number and type
10 of positions available or to be available, itemized costs
11 of the program and sources of funds to pay for the same,
12 and the term of the agreement. These costs include,
13 specifically, the payment by community college districts
14 of costs under Sections 3-37, 3-38, 3-40 and 3-40.1 of the
15 Public Community College Act and by school districts of
16 costs under Sections 10-22.20a and 10-23.3a of the School
17 Code.

18 (13) The interest costs incurred by redevelopers or
19 other nongovernmental persons in connection with a
20 redevelopment project, and specifically including payments
21 to redevelopers or other nongovernmental persons as
22 reimbursement for such costs incurred by such redeveloper
23 or other nongovernmental person, provided that:

24 (A) interest costs shall be paid or reimbursed by a
25 municipality only pursuant to the prior official
26 action of the municipality evidencing an intent to pay

1 or reimburse such interest costs;

2 (B) such payments in any one year may not exceed
3 30% of the annual interest costs incurred by the
4 redeveloper with regard to the redevelopment project
5 during that year;

6 (C) except as provided in subparagraph (E), the
7 aggregate amount of such costs paid or reimbursed by a
8 municipality shall not exceed 30% of the total (i)
9 costs paid or incurred by the redeveloper or other
10 nongovernmental person in that year plus (ii)
11 redevelopment project costs excluding any property
12 assembly costs and any relocation costs incurred by a
13 municipality pursuant to this Act;

14 (D) interest costs shall be paid or reimbursed by a
15 municipality solely from the special tax allocation
16 fund established pursuant to this Act and shall not be
17 paid or reimbursed from the proceeds of any obligations
18 issued by a municipality;

19 (E) if there are not sufficient funds available in
20 the special tax allocation fund in any year to make
21 such payment or reimbursement in full, any amount of
22 such interest cost remaining to be paid or reimbursed
23 by a municipality shall accrue and be payable when
24 funds are available in the special tax allocation fund
25 to make such payment.

26 (14) The costs of construction of new privately owned

1 buildings shall not be an eligible redevelopment project
2 cost.

3 If a special service area has been established under the
4 Special Service Area Tax Act, then any tax increment revenues
5 derived from the tax imposed thereunder to the Special Service
6 Area Tax Act may be used within the redevelopment project area
7 for the purposes permitted by that Act as well as the purposes
8 permitted by this Act.

9 (p) "Redevelopment Planning Area" means an area so
10 designated by a municipality after the municipality has
11 complied with all the findings and procedures required to
12 establish a redevelopment project area, including the
13 existence of conditions that qualify the area as an industrial
14 park conservation area, or an environmentally contaminated
15 area, or a vacant industrial buildings conservation area, or a
16 combination of these types of areas, and adopted a
17 redevelopment plan and project for the planning area and its
18 included redevelopment project areas. The area shall not be
19 designated as a redevelopment planning area for more than 10 ~~5~~
20 years. At any time in the 10 ~~5~~ years following that designation
21 of the redevelopment planning area, the municipality may
22 designate the redevelopment planning area, or any portion of
23 the redevelopment planning area, as a redevelopment project
24 area without making additional findings or complying with
25 additional procedures required for the creation of a
26 redevelopment project area. An amendment of a redevelopment

1 plan and project in accordance with the findings and procedures
2 of this Act after the designation of a redevelopment planning
3 area at any time within the 10 ~~5~~ years after the designation of
4 the redevelopment planning area shall not require new
5 qualification of findings for the redevelopment project area to
6 be designated within the redevelopment planning area.

7 The terms "redevelopment plan", "redevelopment project",
8 and "redevelopment project area" have the definitions set out
9 in subsections (l), (m), and (n), respectively.

10 (q) "Taxing districts" means counties, townships,
11 municipalities, and school, road, park, sanitary, mosquito
12 abatement, forest preserve, public health, fire protection,
13 river conservancy, tuberculosis sanitarium and any other
14 municipal corporations or districts with the power to levy
15 taxes.

16 (r) "Taxing districts' capital costs" means those costs of
17 taxing districts for capital improvements that are found by the
18 municipal corporate authorities to be necessary and a direct
19 result of the redevelopment project.

20 (s) "Urban county" means a county with 240,000 or more
21 inhabitants.

22 (t) "Vacant area", as used in subsection (a) of this
23 Section, means any parcel or combination of parcels of real
24 property without industrial, commercial and residential
25 buildings that has not been used for commercial agricultural
26 purposes within 5 years before the designation of the

1 redevelopment project area, unless that parcel is included in
2 an industrial park conservation area.

3 (Source: P.A. 94-793, eff. 5-19-06.)