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09600HB2394ham001

LRB096 11041 RLJ 23605 a

1 AMENDMENT TO HOUSE BILL 2394

2 AMENDMENT NO. _____. Amend House Bill 2394 by replacing
3 everything after the enacting clause with the following:

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

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

7 (Text of Section before amendment by P.A. 95-1028)

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

12 (a) For any redevelopment project area that has been
13 designated pursuant to this Section by an ordinance adopted
14 prior to November 1, 1999 (the effective date of Public Act
15 91-478), "blighted area" shall have the meaning set forth in
16 this Section prior to that date.

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

5 (1) If improved, industrial, commercial, and
6 residential buildings or improvements are detrimental to
7 the public safety, health, or welfare because of a
8 combination of 5 or more of the following factors, each of
9 which is (i) present, with that presence documented, to a
10 meaningful extent so that a municipality may reasonably
11 find that the factor is clearly present within the intent
12 of the Act and (ii) reasonably distributed throughout the
13 improved part of the redevelopment project area:

14 (A) Dilapidation. An advanced state of disrepair
15 or neglect of necessary repairs to the primary
16 structural components of buildings or improvements in
17 such a combination that a documented building
18 condition analysis determines that major repair is
19 required or the defects are so serious and so extensive
20 that the buildings must be removed.

21 (B) Obsolescence. The condition or process of
22 falling into disuse. Structures have become ill-suited
23 for the original use.

24 (C) Deterioration. With respect to buildings,
25 defects including, but not limited to, major defects in
26 the secondary building components such as doors,

1 windows, porches, gutters and downspouts, and fascia.
2 With respect to surface improvements, that the
3 condition of roadways, alleys, curbs, gutters,
4 sidewalks, off-street parking, and surface storage
5 areas evidence deterioration, including, but not
6 limited to, surface cracking, crumbling, potholes,
7 depressions, loose paving material, and weeds
8 protruding through paved surfaces.

9 (D) Presence of structures below minimum code
10 standards. All structures that do not meet the
11 standards of zoning, subdivision, building, fire, and
12 other governmental codes applicable to property, but
13 not including housing and property maintenance codes.

14 (E) Illegal use of individual structures. The use
15 of structures in violation of applicable federal,
16 State, or local laws, exclusive of those applicable to
17 the presence of structures below minimum code
18 standards.

19 (F) Excessive vacancies. The presence of buildings
20 that are unoccupied or under-utilized and that
21 represent an adverse influence on the area because of
22 the frequency, extent, or duration of the vacancies.

23 (G) Lack of ventilation, light, or sanitary
24 facilities. The absence of adequate ventilation for
25 light or air circulation in spaces or rooms without
26 windows, or that require the removal of dust, odor,

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

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

20 (I) Excessive land coverage and overcrowding of
21 structures and community facilities. The
22 over-intensive use of property and the crowding of
23 buildings and accessory facilities onto a site.
24 Examples of problem conditions warranting the
25 designation of an area as one exhibiting excessive land
26 coverage are: (i) the presence of buildings either

1 improperly situated on parcels or located on parcels of
2 inadequate size and shape in relation to present-day
3 standards of development for health and safety and (ii)
4 the presence of multiple buildings on a single parcel.
5 For there to be a finding of excessive land coverage,
6 these parcels must exhibit one or more of the following
7 conditions: insufficient provision for light and air
8 within or around buildings, increased threat of spread
9 of fire due to the close proximity of buildings, lack
10 of adequate or proper access to a public right-of-way,
11 lack of reasonably required off-street parking, or
12 inadequate provision for loading and service.

13 (J) Deleterious land use or layout. The existence
14 of incompatible land-use relationships, buildings
15 occupied by inappropriate mixed-uses, or uses
16 considered to be noxious, offensive, or unsuitable for
17 the surrounding area.

18 (K) Environmental clean-up. The proposed
19 redevelopment project area has incurred Illinois
20 Environmental Protection Agency or United States
21 Environmental Protection Agency remediation costs for,
22 or a study conducted by an independent consultant
23 recognized as having expertise in environmental
24 remediation has determined a need for, the clean-up of
25 hazardous waste, hazardous substances, or underground
26 storage tanks required by State or federal law,

1 provided that the remediation costs constitute a
2 material impediment to the development or
3 redevelopment of the redevelopment project area.

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

17 (M) The total equalized assessed value of the
18 proposed redevelopment project area has declined for 3
19 of the last 5 calendar years prior to the year in which
20 the redevelopment project area is designated or is
21 increasing at an annual rate that is less than the
22 balance of the municipality for 3 of the last 5
23 calendar years for which information is available or is
24 increasing at an annual rate that is less than the
25 Consumer Price Index for All Urban Consumers published
26 by the United States Department of Labor or successor

1 agency for 3 of the last 5 calendar years prior to the
2 year in which the redevelopment project area is
3 designated.

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

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

22 (B) Diversity of ownership of parcels of vacant
23 land sufficient in number to retard or impede the
24 ability to assemble the land for development.

25 (C) Tax and special assessment delinquencies exist
26 or the property has been the subject of tax sales under

1 the Property Tax Code within the last 5 years.

2 (D) Deterioration of structures or site
3 improvements in neighboring areas adjacent to the
4 vacant land.

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

16 (F) The total equalized assessed value of the
17 proposed redevelopment project area has declined for 3
18 of the last 5 calendar years prior to the year in which
19 the redevelopment project area is designated or is
20 increasing at an annual rate that is less than the
21 balance of the municipality for 3 of the last 5
22 calendar years for which information is available or is
23 increasing at an annual rate that is less than the
24 Consumer Price Index for All Urban Consumers published
25 by the United States Department of Labor or successor
26 agency for 3 of the last 5 calendar years prior to the

1 year in which the redevelopment project area is
2 designated.

3 (3) If vacant, the sound growth of the redevelopment
4 project area is impaired by one of the following factors
5 that (i) is present, with that presence documented, to a
6 meaningful extent so that a municipality may reasonably
7 find that the factor is clearly present within the intent
8 of the Act and (ii) is reasonably distributed throughout
9 the vacant part of the redevelopment project area to which
10 it pertains:

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

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

15 (C) The area, prior to its designation, is subject
16 to (i) chronic flooding that adversely impacts on real
17 property in the area as certified by a registered
18 professional engineer or appropriate regulatory agency
19 or (ii) surface water that discharges from all or a
20 part of the area and contributes to flooding within the
21 same watershed, but only if the redevelopment project
22 provides for facilities or improvements to contribute
23 to the alleviation of all or part of the flooding.

24 (D) The area consists of an unused or illegal
25 disposal site containing earth, stone, building
26 debris, or similar materials that were removed from

1 construction, demolition, excavation, or dredge sites.

2 (E) Prior to November 1, 1999, the area is not less
3 than 50 nor more than 100 acres and 75% of which is
4 vacant (notwithstanding that the area has been used for
5 commercial agricultural purposes within 5 years prior
6 to the designation of the redevelopment project area),
7 and the area meets at least one of the factors itemized
8 in paragraph (1) of this subsection, the area has been
9 designated as a town or village center by ordinance or
10 comprehensive plan adopted prior to January 1, 1982,
11 and the area has not been developed for that designated
12 purpose.

13 (F) The area qualified as a blighted improved area
14 immediately prior to becoming vacant, unless there has
15 been substantial private investment in the immediately
16 surrounding area.

17 (b) For any redevelopment project area that has been
18 designated pursuant to this Section by an ordinance adopted
19 prior to November 1, 1999 (the effective date of Public Act
20 91-478), "conservation area" shall have the meaning set forth
21 in this Section prior to that date.

22 On and after November 1, 1999, "conservation area" means
23 any improved area within the boundaries of a redevelopment
24 project area located within the territorial limits of the
25 municipality in which 50% or more of the structures in the area
26 have an age of 35 years or more. Such an area is not yet a

1 blighted area but because of a combination of 3 or more of the
2 following factors is detrimental to the public safety, health,
3 morals or welfare and such an area may become a blighted area:

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

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

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

24 (4) Presence of structures below minimum code
25 standards. All structures that do not meet the standards of
26 zoning, subdivision, building, fire, and other

1 governmental codes applicable to property, but not
2 including housing and property maintenance codes.

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

7 (6) Excessive vacancies. The presence of buildings
8 that are unoccupied or under-utilized and that represent an
9 adverse influence on the area because of the frequency,
10 extent, or duration of the vacancies.

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

24 (8) Inadequate utilities. Underground and overhead
25 utilities such as storm sewers and storm drainage, sanitary
26 sewers, water lines, and gas, telephone, and electrical

1 services that are shown to be inadequate. Inadequate
2 utilities are those that are: (i) of insufficient capacity
3 to serve the uses in the redevelopment project area, (ii)
4 deteriorated, antiquated, obsolete, or in disrepair, or
5 (iii) lacking within the redevelopment project area.

6 (9) Excessive land coverage and overcrowding of
7 structures and community facilities. The over-intensive
8 use of property and the crowding of buildings and accessory
9 facilities onto a site. Examples of problem conditions
10 warranting the designation of an area as one exhibiting
11 excessive land coverage are: the presence of buildings
12 either improperly situated on parcels or located on parcels
13 of inadequate size and shape in relation to present-day
14 standards of development for health and safety and the
15 presence of multiple buildings on a single parcel. For
16 there to be a finding of excessive land coverage, these
17 parcels must exhibit one or more of the following
18 conditions: insufficient provision for light and air
19 within or around buildings, increased threat of spread of
20 fire due to the close proximity of buildings, lack of
21 adequate or proper access to a public right-of-way, lack of
22 reasonably required off-street parking, or inadequate
23 provision for loading and service.

24 (10) Deleterious land use or layout. The existence of
25 incompatible land-use relationships, buildings occupied by
26 inappropriate mixed-uses, or uses considered to be

1 noxious, offensive, or unsuitable for the surrounding
2 area.

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

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

26 (13) The total equalized assessed value of the proposed

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

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

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

1 area includes both vacant land suitable for use as an
2 industrial park and a blighted area or conservation area
3 contiguous to such vacant land.

4 (e) "Labor surplus municipality" means a municipality in
5 which, at any time during the 6 months before the municipality
6 by ordinance designates an industrial park conservation area,
7 the unemployment rate was over 6% and was also 100% or more of
8 the national average unemployment rate for that same time as
9 published in the United States Department of Labor Bureau of
10 Labor Statistics publication entitled "The Employment
11 Situation" or its successor publication. For the purpose of
12 this subsection, if unemployment rate statistics for the
13 municipality are not available, the unemployment rate in the
14 municipality shall be deemed to be the same as the unemployment
15 rate in the principal county in which the municipality is
16 located.

17 (f) "Municipality" shall mean a city, village,
18 incorporated town, or a township that is located in the
19 unincorporated portion of a county with 3 million or more
20 inhabitants, if the county adopted an ordinance that approved
21 the township's redevelopment plan.

22 (g) "Initial Sales Tax Amounts" means the amount of taxes
23 paid under the Retailers' Occupation Tax Act, Use Tax Act,
24 Service Use Tax Act, the Service Occupation Tax Act, the
25 Municipal Retailers' Occupation Tax Act, and the Municipal
26 Service Occupation Tax Act by retailers and servicemen on

1 transactions at places located in a State Sales Tax Boundary
2 during the calendar year 1985.

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

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

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

1 this calculation shall be made by utilizing the period from
2 October 1, 1988, to June 30, 1989, to determine the tax amounts
3 received from retailers and servicemen pursuant to the
4 Municipal Retailers' Occupation Tax and the Municipal Service
5 Occupation Tax Act which shall have deducted therefrom
6 nine-twelfths of the certified Initial Sales Tax Amounts,
7 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
8 Tax Amounts as appropriate. For every State Fiscal Year
9 thereafter, the applicable period shall be the 12 months
10 beginning July 1 and ending June 30 to determine the tax
11 amounts received which shall have deducted therefrom the
12 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
13 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
14 case may be.

15 (i) "Net State Sales Tax Increment" means the sum of the
16 following: (a) 80% of the first \$100,000 of State Sales Tax
17 Increment annually generated within a State Sales Tax Boundary;
18 (b) 60% of the amount in excess of \$100,000 but not exceeding
19 \$500,000 of State Sales Tax Increment annually generated within
20 a State Sales Tax Boundary; and (c) 40% of all amounts in
21 excess of \$500,000 of State Sales Tax Increment annually
22 generated within a State Sales Tax Boundary. If, however, a
23 municipality established a tax increment financing district in
24 a county with a population in excess of 3,000,000 before
25 January 1, 1986, and the municipality entered into a contract
26 or issued bonds after January 1, 1986, but before December 31,

1 1986, to finance redevelopment project costs within a State
2 Sales Tax Boundary, then the Net State Sales Tax Increment
3 means, for the fiscal years beginning July 1, 1990, and July 1,
4 1991, 100% of the State Sales Tax Increment annually generated
5 within a State Sales Tax Boundary; and notwithstanding any
6 other provision of this Act, for those fiscal years the
7 Department of Revenue shall distribute to those municipalities
8 100% of their Net State Sales Tax Increment before any
9 distribution to any other municipality and regardless of
10 whether or not those other municipalities will receive 100% of
11 their Net State Sales Tax Increment. For Fiscal Year 1999, and
12 every year thereafter until the year 2007, for any municipality
13 that has not entered into a contract or has not issued bonds
14 prior to June 1, 1988 to finance redevelopment project costs
15 within a State Sales Tax Boundary, the Net State Sales Tax
16 Increment shall be calculated as follows: By multiplying the
17 Net State Sales Tax Increment by 90% in the State Fiscal Year
18 1999; 80% in the State Fiscal Year 2000; 70% in the State
19 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
20 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%
21 in the State Fiscal Year 2005; 20% in the State Fiscal Year
22 2006; and 10% in the State Fiscal Year 2007. No payment shall
23 be made for State Fiscal Year 2008 and thereafter.

24 Municipalities that issued bonds in connection with a
25 redevelopment project in a redevelopment project area within
26 the State Sales Tax Boundary prior to July 29, 1991, or that

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

24 (j) "State Utility Tax Increment Amount" means an amount
25 equal to the aggregate increase in State electric and gas tax
26 charges imposed on owners and tenants, other than residential

1 customers, of properties located within the redevelopment
2 project area under Section 9-222 of the Public Utilities Act,
3 over and above the aggregate of such charges as certified by
4 the Department of Revenue and paid by owners and tenants, other
5 than residential customers, of properties within the
6 redevelopment project area during the base year, which shall be
7 the calendar year immediately prior to the year of the adoption
8 of the ordinance authorizing tax increment allocation
9 financing.

10 (k) "Net State Utility Tax Increment" means the sum of the
11 following: (a) 80% of the first \$100,000 of State Utility Tax
12 Increment annually generated by a redevelopment project area;
13 (b) 60% of the amount in excess of \$100,000 but not exceeding
14 \$500,000 of the State Utility Tax Increment annually generated
15 by a redevelopment project area; and (c) 40% of all amounts in
16 excess of \$500,000 of State Utility Tax Increment annually
17 generated by a redevelopment project area. For the State Fiscal
18 Year 1999, and every year thereafter until the year 2007, for
19 any municipality that has not entered into a contract or has
20 not issued bonds prior to June 1, 1988 to finance redevelopment
21 project costs within a redevelopment project area, the Net
22 State Utility Tax Increment shall be calculated as follows: By
23 multiplying the Net State Utility Tax Increment by 90% in the
24 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%
25 in the State Fiscal Year 2001; 60% in the State Fiscal Year
26 2002; 50% in the State Fiscal Year 2003; 40% in the State

1 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the
2 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.
3 No payment shall be made for the State Fiscal Year 2008 and
4 thereafter.

5 Municipalities that issue bonds in connection with the
6 redevelopment project during the period from June 1, 1988 until
7 3 years after the effective date of this Amendatory Act of 1988
8 shall receive the Net State Utility Tax Increment, subject to
9 appropriation, for 15 State Fiscal Years after the issuance of
10 such bonds. For the 16th through the 20th State Fiscal Years
11 after issuance of the bonds, the Net State Utility Tax
12 Increment shall be calculated as follows: By multiplying the
13 Net State Utility Tax Increment by 90% in year 16; 80% in year
14 17; 70% in year 18; 60% in year 19; and 50% in year 20.
15 Refunding of any bonds issued prior to June 1, 1988, shall not
16 alter the revised Net State Utility Tax Increment payments set
17 forth above.

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

22 (m) "Payment in lieu of taxes" means those estimated tax
23 revenues from real property in a redevelopment project area
24 derived from real property that has been acquired by a
25 municipality which according to the redevelopment project or
26 plan is to be used for a private use which taxing districts

1 would have received had a municipality not acquired the real
2 property and adopted tax increment allocation financing and
3 which would result from levies made after the time of the
4 adoption of tax increment allocation financing to the time the
5 current equalized value of real property in the redevelopment
6 project area exceeds the total initial equalized value of real
7 property in said area.

8 (n) "Redevelopment plan" means the comprehensive program
9 of the municipality for development or redevelopment intended
10 by the payment of redevelopment project costs to reduce or
11 eliminate those conditions the existence of which qualified the
12 redevelopment project area as a "blighted area" or
13 "conservation area" or combination thereof or "industrial park
14 conservation area," and thereby to enhance the tax bases of the
15 taxing districts which extend into the redevelopment project
16 area. On and after November 1, 1999 (the effective date of
17 Public Act 91-478), no redevelopment plan may be approved or
18 amended that includes the development of vacant land (i) with a
19 golf course and related clubhouse and other facilities or (ii)
20 designated by federal, State, county, or municipal government
21 as public land for outdoor recreational activities or for
22 nature preserves and used for that purpose within 5 years prior
23 to the adoption of the redevelopment plan. For the purpose of
24 this subsection, "recreational activities" is limited to mean
25 camping and hunting. Each redevelopment plan shall set forth in
26 writing the program to be undertaken to accomplish the

1 objectives and shall include but not be limited to:

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

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

7 (C) an assessment of any financial impact of the
8 redevelopment project area on or any increased demand for
9 services from any taxing district affected by the plan and
10 any program to address such financial impact or increased
11 demand;

12 (D) the sources of funds to pay costs;

13 (E) the nature and term of the obligations to be
14 issued;

15 (F) the most recent equalized assessed valuation of the
16 redevelopment project area;

17 (G) an estimate as to the equalized assessed valuation
18 after redevelopment and the general land uses to apply in
19 the redevelopment project area;

20 (H) a commitment to fair employment practices and an
21 affirmative action plan;

22 (I) if it concerns an industrial park conservation
23 area, the plan shall also include a general description of
24 any proposed developer, user and tenant of any property, a
25 description of the type, structure and general character of
26 the facilities to be developed, a description of the type,

1 class and number of new employees to be employed in the
2 operation of the facilities to be developed; and

3 (J) if property is to be annexed to the municipality,
4 the plan shall include the terms of the annexation
5 agreement.

6 The provisions of items (B) and (C) of this subsection (n)
7 shall not apply to a municipality that before March 14, 1994
8 (the effective date of Public Act 88-537) had fixed, either by
9 its corporate authorities or by a commission designated under
10 subsection (k) of Section 11-74.4-4, a time and place for a
11 public hearing as required by subsection (a) of Section
12 11-74.4-5. No redevelopment plan shall be adopted unless a
13 municipality complies with all of the following requirements:

14 (1) The municipality finds that the redevelopment
15 project area on the whole has not been subject to growth
16 and development through investment by private enterprise
17 and would not reasonably be anticipated to be developed
18 without the adoption of the redevelopment plan.

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

1 authority of the municipality, or (ii) includes land uses
2 that have been approved by the planning commission of the
3 municipality.

4 (3) The redevelopment plan establishes the estimated
5 dates of completion of the redevelopment project and
6 retirement of obligations issued to finance redevelopment
7 project costs. Those dates may not be later than the dates
8 set forth under Section 11-74.4-3.5., ~~or (DDD) (EEE), or~~
9 ~~(FFF), or (GGG), or (HHH), or (III), or (JJJ), (KKK), (LLL)~~
10 ~~(MMM), or (NNN) if the ordinance was adopted on December~~
11 ~~23, 1986 by the Village of Libertyville.~~

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

20 (3.5) The municipality finds, in the case of an
21 industrial park conservation area, also that the
22 municipality is a labor surplus municipality and that the
23 implementation of the redevelopment plan will reduce
24 unemployment, create new jobs and by the provision of new
25 facilities enhance the tax base of the taxing districts
26 that extend into the redevelopment project area.

1 (4) If any incremental revenues are being utilized
2 under Section 8(a)(1) or 8(a)(2) of this Act in
3 redevelopment project areas approved by ordinance after
4 January 1, 1986, the municipality finds: (a) that the
5 redevelopment project area would not reasonably be
6 developed without the use of such incremental revenues, and
7 (b) that such incremental revenues will be exclusively
8 utilized for the development of the redevelopment project
9 area.

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

22 Part I of the housing impact study shall include (i)
23 data as to whether the residential units are single family
24 or multi-family units, (ii) the number and type of rooms
25 within the units, if that information is available, (iii)
26 whether the units are inhabited or uninhabited, as

1 determined not less than 45 days before the date that the
2 ordinance or resolution required by subsection (a) of
3 Section 11-74.4-5 is passed, and (iv) data as to the racial
4 and ethnic composition of the residents in the inhabited
5 residential units. The data requirement as to the racial
6 and ethnic composition of the residents in the inhabited
7 residential units shall be deemed to be fully satisfied by
8 data from the most recent federal census.

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

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

25 (7) On and after November 1, 1999, no redevelopment
26 plan shall be adopted, nor an existing plan amended, nor

1 shall residential housing that is occupied by households of
2 low-income and very low-income persons in currently
3 existing redevelopment project areas be removed after
4 November 1, 1999 unless the redevelopment plan provides,
5 with respect to inhabited housing units that are to be
6 removed for households of low-income and very low-income
7 persons, affordable housing and relocation assistance not
8 less than that which would be provided under the federal
9 Uniform Relocation Assistance and Real Property
10 Acquisition Policies Act of 1970 and the regulations under
11 that Act, including the eligibility criteria. Affordable
12 housing may be either existing or newly constructed
13 housing. For purposes of this paragraph (7), "low-income
14 households", "very low-income households", and "affordable
15 housing" have the meanings set forth in the Illinois
16 Affordable Housing Act. The municipality shall make a good
17 faith effort to ensure that this affordable housing is
18 located in or near the redevelopment project area within
19 the municipality.

20 (8) On and after November 1, 1999, if, after the
21 adoption of the redevelopment plan for the redevelopment
22 project area, any municipality desires to amend its
23 redevelopment plan to remove more inhabited residential
24 units than specified in its original redevelopment plan,
25 that change shall be made in accordance with the procedures
26 in subsection (c) of Section 11-74.4-5.

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

15 (o) "Redevelopment project" means any public and private
16 development project in furtherance of the objectives of a
17 redevelopment plan. On and after November 1, 1999 (the
18 effective date of Public Act 91-478), no redevelopment plan may
19 be approved or amended that includes the development of vacant
20 land (i) with a golf course and related clubhouse and other
21 facilities or (ii) designated by federal, State, county, or
22 municipal government as public land for outdoor recreational
23 activities or for nature preserves and used for that purpose
24 within 5 years prior to the adoption of the redevelopment plan.
25 For the purpose of this subsection, "recreational activities"
26 is limited to mean camping and hunting.

1 (p) "Redevelopment project area" means an area designated
2 by the municipality, which is not less in the aggregate than 1
3 1/2 acres and in respect to which the municipality has made a
4 finding that there exist conditions which cause the area to be
5 classified as an industrial park conservation area or a
6 blighted area or a conservation area, or a combination of both
7 blighted areas and conservation areas.

8 Notwithstanding any provision of this Act to the contrary,
9 on and after the effective date of this amendatory Act of the
10 96th General Assembly, a redevelopment project area may include
11 areas within a one-half mile radius of an existing or proposed
12 Regional Transportation Authority Suburban Transit Access
13 Route (STAR Line) station without a finding that the area is
14 classified as an industrial park conservation area, a blighted
15 area, a conservation area, or a combination thereof, but only
16 if the municipality receives unanimous consent from the joint
17 review board created to review the proposed redevelopment
18 project area.

19 (q) "Redevelopment project costs" mean and include the sum
20 total of all reasonable or necessary costs incurred or
21 estimated to be incurred, and any such costs incidental to a
22 redevelopment plan and a redevelopment project. Such costs
23 include, without limitation, the following:

24 (1) Costs of studies, surveys, development of plans,
25 and specifications, implementation and administration of
26 the redevelopment plan including but not limited to staff

1 and professional service costs for architectural,
2 engineering, legal, financial, planning or other services,
3 provided however that no charges for professional services
4 may be based on a percentage of the tax increment
5 collected; except that on and after November 1, 1999 (the
6 effective date of Public Act 91-478), no contracts for
7 professional services, excluding architectural and
8 engineering services, may be entered into if the terms of
9 the contract extend beyond a period of 3 years. In
10 addition, "redevelopment project costs" shall not include
11 lobbying expenses. After consultation with the
12 municipality, each tax increment consultant or advisor to a
13 municipality that plans to designate or has designated a
14 redevelopment project area shall inform the municipality
15 in writing of any contracts that the consultant or advisor
16 has entered into with entities or individuals that have
17 received, or are receiving, payments financed by tax
18 increment revenues produced by the redevelopment project
19 area with respect to which the consultant or advisor has
20 performed, or will be performing, service for the
21 municipality. This requirement shall be satisfied by the
22 consultant or advisor before the commencement of services
23 for the municipality and thereafter whenever any other
24 contracts with those individuals or entities are executed
25 by the consultant or advisor;

26 (1.5) After July 1, 1999, annual administrative costs

1 shall not include general overhead or administrative costs
2 of the municipality that would still have been incurred by
3 the municipality if the municipality had not designated a
4 redevelopment project area or approved a redevelopment
5 plan;

6 (1.6) The cost of marketing sites within the
7 redevelopment project area to prospective businesses,
8 developers, and investors;

9 (2) Property assembly costs, including but not limited
10 to acquisition of land and other property, real or
11 personal, or rights or interests therein, demolition of
12 buildings, site preparation, site improvements that serve
13 as an engineered barrier addressing ground level or below
14 ground environmental contamination, including, but not
15 limited to parking lots and other concrete or asphalt
16 barriers, and the clearing and grading of land;

17 (3) Costs of rehabilitation, reconstruction or repair
18 or remodeling of existing public or private buildings,
19 fixtures, and leasehold improvements; and the cost of
20 replacing an existing public building if pursuant to the
21 implementation of a redevelopment project the existing
22 public building is to be demolished to use the site for
23 private investment or devoted to a different use requiring
24 private investment;

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

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

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

22 (6) Financing costs, including but not limited to all
23 necessary and incidental expenses related to the issuance
24 of obligations and which may include payment of interest on
25 any obligations issued hereunder including interest
26 accruing during the estimated period of construction of any

1 redevelopment project for which such obligations are
2 issued and for not exceeding 36 months thereafter and
3 including reasonable reserves related thereto;

4 (7) To the extent the municipality by written agreement
5 accepts and approves the same, all or a portion of a taxing
6 district's capital costs resulting from the redevelopment
7 project necessarily incurred or to be incurred within a
8 taxing district in furtherance of the objectives of the
9 redevelopment plan and project.

10 (7.5) For redevelopment project areas designated (or
11 redevelopment project areas amended to add or increase the
12 number of tax-increment-financing assisted housing units)
13 on or after November 1, 1999, an elementary, secondary, or
14 unit school district's increased costs attributable to
15 assisted housing units located within the redevelopment
16 project area for which the developer or redeveloper
17 receives financial assistance through an agreement with
18 the municipality or because the municipality incurs the
19 cost of necessary infrastructure improvements within the
20 boundaries of the assisted housing sites necessary for the
21 completion of that housing as authorized by this Act, and
22 which costs shall be paid by the municipality from the
23 Special Tax Allocation Fund when the tax increment revenue
24 is received as a result of the assisted housing units and
25 shall be calculated annually as follows:

26 (A) for foundation districts, excluding any school

1 district in a municipality with a population in excess
2 of 1,000,000, by multiplying the district's increase
3 in attendance resulting from the net increase in new
4 students enrolled in that school district who reside in
5 housing units within the redevelopment project area
6 that have received financial assistance through an
7 agreement with the municipality or because the
8 municipality incurs the cost of necessary
9 infrastructure improvements within the boundaries of
10 the housing sites necessary for the completion of that
11 housing as authorized by this Act since the designation
12 of the redevelopment project area by the most recently
13 available per capita tuition cost as defined in Section
14 10-20.12a of the School Code less any increase in
15 general State aid as defined in Section 18-8.05 of the
16 School Code attributable to these added new students
17 subject to the following annual limitations:

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

24 (ii) for elementary school districts with a
25 district average 1995-96 Per Capita Tuition Charge
26 of less than \$5,900, no more than 17% of the total

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

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

10 (B) For alternate method districts, flat grant
11 districts, and foundation districts with a district
12 average 1995-96 Per Capita Tuition Charge equal to or
13 more than \$5,900, excluding any school district with a
14 population in excess of 1,000,000, by multiplying the
15 district's increase in attendance resulting from the
16 net increase in new students enrolled in that school
17 district who reside in housing units within the
18 redevelopment project area that have received
19 financial assistance through an agreement with the
20 municipality or because the municipality incurs the
21 cost of necessary infrastructure improvements within
22 the boundaries of the housing sites necessary for the
23 completion of that housing as authorized by this Act
24 since the designation of the redevelopment project
25 area by the most recently available per capita tuition
26 cost as defined in Section 10-20.12a of the School Code

1 less any increase in general state aid as defined in
2 Section 18-8.05 of the School Code attributable to
3 these added new students subject to the following
4 annual limitations:

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

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

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

20 (C) For any school district in a municipality with
21 a population in excess of 1,000,000, the following
22 restrictions shall apply to the reimbursement of
23 increased costs under this paragraph (7.5):

24 (i) no increased costs shall be reimbursed
25 unless the school district certifies that each of
26 the schools affected by the assisted housing

1 project is at or over its student capacity;

2 (ii) the amount reimbursable shall be reduced
3 by the value of any land donated to the school
4 district by the municipality or developer, and by
5 the value of any physical improvements made to the
6 schools by the municipality or developer; and

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

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

1 (7.7) For redevelopment project areas designated (or
2 redevelopment project areas amended to add or increase the
3 number of tax-increment-financing assisted housing units)
4 on or after January 1, 2005 (the effective date of Public
5 Act 93-961), a public library district's increased costs
6 attributable to assisted housing units located within the
7 redevelopment project area for which the developer or
8 redeveloper receives financial assistance through an
9 agreement with the municipality or because the
10 municipality incurs the cost of necessary infrastructure
11 improvements within the boundaries of the assisted housing
12 sites necessary for the completion of that housing as
13 authorized by this Act shall be paid to the library
14 district by the municipality from the Special Tax
15 Allocation Fund when the tax increment revenue is received
16 as a result of the assisted housing units. This paragraph
17 (7.7) applies only if (i) the library district is located
18 in a county that is subject to the Property Tax Extension
19 Limitation Law or (ii) the library district is not located
20 in a county that is subject to the Property Tax Extension
21 Limitation Law but the district is prohibited by any other
22 law from increasing its tax levy rate without a prior voter
23 referendum.

24 The amount paid to a library district under this
25 paragraph (7.7) shall be calculated by multiplying (i) the
26 net increase in the number of persons eligible to obtain a

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

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

1 Any library district seeking payment under this
2 paragraph (7.7) shall, after July 1 and before September 30
3 of each year, provide the municipality with convincing
4 evidence to support its claim for reimbursement before the
5 municipality shall be required to approve or make the
6 payment to the library district. If the library district
7 fails to provide the information during this period in any
8 year, it shall forfeit any claim to reimbursement for that
9 year. Library districts may adopt a resolution waiving the
10 right to all or a portion of the reimbursement otherwise
11 required by this paragraph (7.7). By acceptance of such
12 reimbursement, the library district shall forfeit any
13 right to directly or indirectly set aside, modify, or
14 contest in any manner whatsoever the establishment of the
15 redevelopment project area or projects;

16 (8) Relocation costs to the extent that a municipality
17 determines that relocation costs shall be paid or is
18 required to make payment of relocation costs by federal or
19 State law or in order to satisfy subparagraph (7) of
20 subsection (n);

21 (9) Payment in lieu of taxes;

22 (10) Costs of job training, retraining, advanced
23 vocational education or career education, including but
24 not limited to courses in occupational, semi-technical or
25 technical fields leading directly to employment, incurred
26 by one or more taxing districts, provided that such costs

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

20 (11) Interest cost incurred by a redeveloper related to
21 the construction, renovation or rehabilitation of a
22 redevelopment project provided that:

23 (A) such costs are to be paid directly from the
24 special tax allocation fund established pursuant to
25 this Act;

26 (B) such payments in any one year may not exceed

1 30% of the annual interest costs incurred by the
2 redeveloper with regard to the redevelopment project
3 during that year;

4 (C) if there are not sufficient funds available in
5 the special tax allocation fund to make the payment
6 pursuant to this paragraph (11) then the amounts so due
7 shall accrue and be payable when sufficient funds are
8 available in the special tax allocation fund;

9 (D) the total of such interest payments paid
10 pursuant to this Act may not exceed 30% of the total
11 (i) cost paid or incurred by the redeveloper for the
12 redevelopment project plus (ii) redevelopment project
13 costs excluding any property assembly costs and any
14 relocation costs incurred by a municipality pursuant
15 to this Act; and

16 (E) the cost limits set forth in subparagraphs (B)
17 and (D) of paragraph (11) shall be modified for the
18 financing of rehabilitated or new housing units for
19 low-income households and very low-income households,
20 as defined in Section 3 of the Illinois Affordable
21 Housing Act. The percentage of 75% shall be substituted
22 for 30% in subparagraphs (B) and (D) of paragraph (11).

23 (F) Instead of the eligible costs provided by
24 subparagraphs (B) and (D) of paragraph (11), as
25 modified by this subparagraph, and notwithstanding any
26 other provisions of this Act to the contrary, the

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

13 The eligible costs provided under this
14 subparagraph (F) of paragraph (11) shall be an eligible
15 cost for the construction, renovation, and
16 rehabilitation of all low and very low-income housing
17 units, as defined in Section 3 of the Illinois
18 Affordable Housing Act, within the redevelopment
19 project area. If the low and very low-income units are
20 part of a residential redevelopment project that
21 includes units not affordable to low and very
22 low-income households, only the low and very
23 low-income units shall be eligible for benefits under
24 subparagraph (F) of paragraph (11). The standards for
25 maintaining the occupancy by low-income households and
26 very low-income households, as defined in Section 3 of

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

25 (11.5) If the redevelopment project area is located
26 within a municipality with a population of more than

1 100,000, the cost of day care services for children of
2 employees from low-income families working for businesses
3 located within the redevelopment project area and all or a
4 portion of the cost of operation of day care centers
5 established by redevelopment project area businesses to
6 serve employees from low-income families working in
7 businesses located in the redevelopment project area. For
8 the purposes of this paragraph, "low-income families"
9 means families whose annual income does not exceed 80% of
10 the municipal, county, or regional median income, adjusted
11 for family size, as the annual income and municipal,
12 county, or regional median income are determined from time
13 to time by the United States Department of Housing and
14 Urban Development.

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

18 (13) After November 1, 1999 (the effective date of
19 Public Act 91-478), none of the redevelopment project costs
20 enumerated in this subsection shall be eligible
21 redevelopment project costs if those costs would provide
22 direct financial support to a retail entity initiating
23 operations in the redevelopment project area while
24 terminating operations at another Illinois location within
25 10 miles of the redevelopment project area but outside the
26 boundaries of the redevelopment project area municipality.

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

12 (14) No cost shall be a redevelopment project cost in a
13 redevelopment project area if used to demolish, remove, or
14 substantially modify a historic resource, after August 26,
15 2008 (the effective date of Public Act 95-934) ~~this~~
16 ~~amendatory Act of the 95th General Assembly~~, unless no
17 prudent and feasible alternative exists. "Historic
18 resource" for the purpose of this item (14) means (i) a
19 place or structure that is included or eligible for
20 inclusion on the National Register of Historic Places or
21 (ii) a contributing structure in a district on the National
22 Register of Historic Places. This item (14) does not apply
23 to a place or structure for which demolition, removal, or
24 modification is subject to review by the preservation
25 agency of a Certified Local Government designated as such
26 by the National Park Service of the United States

1 Department of the Interior.

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

9 (r) "State Sales Tax Boundary" means the redevelopment
10 project area or the amended redevelopment project area
11 boundaries which are determined pursuant to subsection (9) of
12 Section 11-74.4-8a of this Act. The Department of Revenue shall
13 certify pursuant to subsection (9) of Section 11-74.4-8a the
14 appropriate boundaries eligible for the determination of State
15 Sales Tax Increment.

16 (s) "State Sales Tax Increment" means an amount equal to
17 the increase in the aggregate amount of taxes paid by retailers
18 and servicemen, other than retailers and servicemen subject to
19 the Public Utilities Act, on transactions at places of business
20 located within a State Sales Tax Boundary pursuant to the
21 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
22 Tax Act, and the Service Occupation Tax Act, except such
23 portion of such increase that is paid into the State and Local
24 Sales Tax Reform Fund, the Local Government Distributive Fund,
25 the Local Government Tax Fund and the County and Mass Transit
26 District Fund, for as long as State participation exists, over

1 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
2 Tax Amounts or the Revised Initial Sales Tax Amounts for such
3 taxes as certified by the Department of Revenue and paid under
4 those Acts by retailers and servicemen on transactions at
5 places of business located within the State Sales Tax Boundary
6 during the base year which shall be the calendar year
7 immediately prior to the year in which the municipality adopted
8 tax increment allocation financing, less 3.0% of such amounts
9 generated under the Retailers' Occupation Tax Act, Use Tax Act
10 and Service Use Tax Act and the Service Occupation Tax Act,
11 which sum shall be appropriated to the Department of Revenue to
12 cover its costs of administering and enforcing this Section.
13 For purposes of computing the aggregate amount of such taxes
14 for base years occurring prior to 1985, the Department of
15 Revenue shall compute the Initial Sales Tax Amount for such
16 taxes and deduct therefrom an amount equal to 4% of the
17 aggregate amount of taxes per year for each year the base year
18 is prior to 1985, but not to exceed a total deduction of 12%.
19 The amount so determined shall be known as the "Adjusted
20 Initial Sales Tax Amount". For purposes of determining the
21 State Sales Tax Increment the Department of Revenue shall for
22 each period subtract from the tax amounts received from
23 retailers and servicemen on transactions located in the State
24 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
25 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
26 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,

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

26 (t) "Taxing districts" means counties, townships, cities

1 and incorporated towns and villages, school, road, park,
2 sanitary, mosquito abatement, forest preserve, public health,
3 fire protection, river conservancy, tuberculosis sanitarium
4 and any other municipal corporations or districts with the
5 power to levy taxes.

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

10 (v) As used in subsection (a) of Section 11-74.4-3 of this
11 Act, "vacant land" means any parcel or combination of parcels
12 of real property without industrial, commercial, and
13 residential buildings which has not been used for commercial
14 agricultural purposes within 5 years prior to the designation
15 of the redevelopment project area, unless the parcel is
16 included in an industrial park conservation area or the parcel
17 has been subdivided; provided that if the parcel was part of a
18 larger tract that has been divided into 3 or more smaller
19 tracts that were accepted for recording during the period from
20 1950 to 1990, then the parcel shall be deemed to have been
21 subdivided, and all proceedings and actions of the municipality
22 taken in that connection with respect to any previously
23 approved or designated redevelopment project area or amended
24 redevelopment project area are hereby validated and hereby
25 declared to be legally sufficient for all purposes of this Act.
26 For purposes of this Section and only for land subject to the

1 subdivision requirements of the Plat Act, land is subdivided
2 when the original plat of the proposed Redevelopment Project
3 Area or relevant portion thereof has been properly certified,
4 acknowledged, approved, and recorded or filed in accordance
5 with the Plat Act and a preliminary plat, if any, for any
6 subsequent phases of the proposed Redevelopment Project Area or
7 relevant portion thereof has been properly approved and filed
8 in accordance with the applicable ordinance of the
9 municipality.

10 (w) "Annual Total Increment" means the sum of each
11 municipality's annual Net Sales Tax Increment and each
12 municipality's annual Net Utility Tax Increment. The ratio of
13 the Annual Total Increment of each municipality to the Annual
14 Total Increment for all municipalities, as most recently
15 calculated by the Department, shall determine the proportional
16 shares of the Illinois Tax Increment Fund to be distributed to
17 each municipality.

18 (Source: P.A. 94-260, eff. 7-19-05; 94-268, eff. 7-19-05;
19 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-702, eff.
20 6-1-06; 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; 94-778, eff.
21 5-19-06; 94-782, eff. 5-19-06; 94-783, eff. 5-19-06; 94-810,
22 eff. 5-26-06; 94-903, eff. 6-22-06; 94-1091, eff. 1-26-07;
23 94-1092, eff. 1-26-07; 95-15, eff. 7-16-07; 95-164, eff.
24 1-1-08; 95-331, eff. 8-21-07; 95-346, eff. 8-21-07; 95-459,
25 eff. 8-27-07; 95-653, eff. 1-1-08; 95-662, eff. 10-11-07;
26 95-683, eff. 10-19-07; 95-709, eff. 1-29-08; 95-876, eff.

1 8-21-08; 95-932, eff. 8-26-08; 95-934, eff. 8-26-08; 95-964,
2 eff. 9-23-08; 95-977, eff. 9-22-08; revised 10-16-08.)

3 (Text of Section after amendment by P.A. 95-1028)

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

8 (a) For any redevelopment project area that has been
9 designated pursuant to this Section by an ordinance adopted
10 prior to November 1, 1999 (the effective date of Public Act
11 91-478), "blighted area" shall have the meaning set forth in
12 this Section prior to that date.

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

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

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

8 (B) Obsolescence. The condition or process of
9 falling into disuse. Structures have become ill-suited
10 for the original use.

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

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

1 (E) Illegal use of individual structures. The use
2 of structures in violation of applicable federal,
3 State, or local laws, exclusive of those applicable to
4 the presence of structures below minimum code
5 standards.

6 (F) Excessive vacancies. The presence of buildings
7 that are unoccupied or under-utilized and that
8 represent an adverse influence on the area because of
9 the frequency, extent, or duration of the vacancies.

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

24 (H) Inadequate utilities. Underground and overhead
25 utilities such as storm sewers and storm drainage,
26 sanitary sewers, water lines, and gas, telephone, and

1 electrical services that are shown to be inadequate.
2 Inadequate utilities are those that are: (i) of
3 insufficient capacity to serve the uses in the
4 redevelopment project area, (ii) deteriorated,
5 antiquated, obsolete, or in disrepair, or (iii)
6 lacking within the redevelopment project area.

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

26 (J) Deleterious land use or layout. The existence

1 of incompatible land-use relationships, buildings
2 occupied by inappropriate mixed-uses, or uses
3 considered to be noxious, offensive, or unsuitable for
4 the surrounding area.

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

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

1 size to meet contemporary development standards, or
2 other evidence demonstrating an absence of effective
3 community planning.

4 (M) The total equalized assessed value of the
5 proposed redevelopment project area has declined for 3
6 of the last 5 calendar years prior to the year in which
7 the redevelopment project area is designated or is
8 increasing at an annual rate that is less than the
9 balance of the municipality for 3 of the last 5
10 calendar years for which information is available or is
11 increasing at an annual rate that is less than the
12 Consumer Price Index for All Urban Consumers published
13 by the United States Department of Labor or successor
14 agency for 3 of the last 5 calendar years prior to the
15 year in which the redevelopment project area is
16 designated.

17 (2) If vacant, the sound growth of the redevelopment
18 project area is impaired by a combination of 2 or more of
19 the following factors, each of which is (i) present, with
20 that presence documented, to a meaningful extent so that a
21 municipality may reasonably find that the factor is clearly
22 present within the intent of the Act and (ii) reasonably
23 distributed throughout the vacant part of the
24 redevelopment project area to which it pertains:

25 (A) Obsolete platting of vacant land that results
26 in parcels of limited or narrow size or configurations

1 of parcels of irregular size or shape that would be
2 difficult to develop on a planned basis and in a manner
3 compatible with contemporary standards and
4 requirements, or platting that failed to create
5 rights-of-ways for streets or alleys or that created
6 inadequate right-of-way widths for streets, alleys, or
7 other public rights-of-way or that omitted easements
8 for public utilities.

9 (B) Diversity of ownership of parcels of vacant
10 land sufficient in number to retard or impede the
11 ability to assemble the land for development.

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

15 (D) Deterioration of structures or site
16 improvements in neighboring areas adjacent to the
17 vacant land.

18 (E) The area has incurred Illinois Environmental
19 Protection Agency or United States Environmental
20 Protection Agency remediation costs for, or a study
21 conducted by an independent consultant recognized as
22 having expertise in environmental remediation has
23 determined a need for, the clean-up of hazardous waste,
24 hazardous substances, or underground storage tanks
25 required by State or federal law, provided that the
26 remediation costs constitute a material impediment to

1 the development or redevelopment of the redevelopment
2 project area.

3 (F) The total equalized assessed value of the
4 proposed redevelopment project area has declined for 3
5 of the last 5 calendar years prior to the year in which
6 the redevelopment project area is designated or is
7 increasing at an annual rate that is less than the
8 balance of the municipality for 3 of the last 5
9 calendar years for which information is available or is
10 increasing at an annual rate that is less than the
11 Consumer Price Index for All Urban Consumers published
12 by the United States Department of Labor or successor
13 agency for 3 of the last 5 calendar years prior to the
14 year in which the redevelopment project area is
15 designated.

16 (3) If vacant, the sound growth of the redevelopment
17 project area is impaired by one of the following factors
18 that (i) is present, with that presence documented, to a
19 meaningful extent so that a municipality may reasonably
20 find that the factor is clearly present within the intent
21 of the Act and (ii) is reasonably distributed throughout
22 the vacant part of the redevelopment project area to which
23 it pertains:

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

26 (B) The area consists of unused rail yards, rail

1 tracks, or railroad rights-of-way.

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

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

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

26 (F) The area qualified as a blighted improved area

1 immediately prior to becoming vacant, unless there has
2 been substantial private investment in the immediately
3 surrounding area.

4 (b) For any redevelopment project area that has been
5 designated pursuant to this Section by an ordinance adopted
6 prior to November 1, 1999 (the effective date of Public Act
7 91-478), "conservation area" shall have the meaning set forth
8 in this Section prior to that date.

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

17 (1) Dilapidation. An advanced state of disrepair or
18 neglect of necessary repairs to the primary structural
19 components of buildings or improvements in such a
20 combination that a documented building condition analysis
21 determines that major repair is required or the defects are
22 so serious and so extensive that the buildings must be
23 removed.

24 (2) Obsolescence. The condition or process of falling
25 into disuse. Structures have become ill-suited for the
26 original use.

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

11 (4) Presence of structures below minimum code
12 standards. All structures that do not meet the standards of
13 zoning, subdivision, building, fire, and other
14 governmental codes applicable to property, but not
15 including housing and property maintenance codes.

16 (5) Illegal use of individual structures. The use of
17 structures in violation of applicable federal, State, or
18 local laws, exclusive of those applicable to the presence
19 of structures below minimum code standards.

20 (6) Excessive vacancies. The presence of buildings
21 that are unoccupied or under-utilized and that represent an
22 adverse influence on the area because of the frequency,
23 extent, or duration of the vacancies.

24 (7) Lack of ventilation, light, or sanitary
25 facilities. The absence of adequate ventilation for light
26 or air circulation in spaces or rooms without windows, or

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

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

19 (9) Excessive land coverage and overcrowding of
20 structures and community facilities. The over-intensive
21 use of property and the crowding of buildings and accessory
22 facilities onto a site. Examples of problem conditions
23 warranting the designation of an area as one exhibiting
24 excessive land coverage are: the presence of buildings
25 either improperly situated on parcels or located on parcels
26 of inadequate size and shape in relation to present-day

1 standards of development for health and safety and the
2 presence of multiple buildings on a single parcel. For
3 there to be a finding of excessive land coverage, these
4 parcels must exhibit one or more of the following
5 conditions: insufficient provision for light and air
6 within or around buildings, increased threat of spread of
7 fire due to the close proximity of buildings, lack of
8 adequate or proper access to a public right-of-way, lack of
9 reasonably required off-street parking, or inadequate
10 provision for loading and service.

11 (10) Deleterious land use or layout. The existence of
12 incompatible land-use relationships, buildings occupied by
13 inappropriate mixed-uses, or uses considered to be
14 noxious, offensive, or unsuitable for the surrounding
15 area.

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

1 demonstrating an absence of effective community planning.

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

13 (13) The total equalized assessed value of the proposed
14 redevelopment project area has declined for 3 of the last 5
15 calendar years for which information is available or is
16 increasing at an annual rate that is less than the balance
17 of the municipality for 3 of the last 5 calendar years for
18 which information is available or is increasing at an
19 annual rate that is less than the Consumer Price Index for
20 All Urban Consumers published by the United States
21 Department of Labor or successor agency for 3 of the last 5
22 calendar years for which information is available.

23 (c) "Industrial park" means an area in a blighted or
24 conservation area suitable for use by any manufacturing,
25 industrial, research or transportation enterprise, of
26 facilities to include but not be limited to factories, mills,

1 processing plants, assembly plants, packing plants,
2 fabricating plants, industrial distribution centers,
3 warehouses, repair overhaul or service facilities, freight
4 terminals, research facilities, test facilities or railroad
5 facilities.

6 (d) "Industrial park conservation area" means an area
7 within the boundaries of a redevelopment project area located
8 within the territorial limits of a municipality that is a labor
9 surplus municipality or within 1 1/2 miles of the territorial
10 limits of a municipality that is a labor surplus municipality
11 if the area is annexed to the municipality; which area is zoned
12 as industrial no later than at the time the municipality by
13 ordinance designates the redevelopment project area, and which
14 area includes both vacant land suitable for use as an
15 industrial park and a blighted area or conservation area
16 contiguous to such vacant land.

17 (e) "Labor surplus municipality" means a municipality in
18 which, at any time during the 6 months before the municipality
19 by ordinance designates an industrial park conservation area,
20 the unemployment rate was over 6% and was also 100% or more of
21 the national average unemployment rate for that same time as
22 published in the United States Department of Labor Bureau of
23 Labor Statistics publication entitled "The Employment
24 Situation" or its successor publication. For the purpose of
25 this subsection, if unemployment rate statistics for the
26 municipality are not available, the unemployment rate in the

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

4 (f) "Municipality" shall mean a city, village,
5 incorporated town, or a township that is located in the
6 unincorporated portion of a county with 3 million or more
7 inhabitants, if the county adopted an ordinance that approved
8 the township's redevelopment plan.

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

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

23 (h) "Municipal Sales Tax Increment" means an amount equal
24 to the increase in the aggregate amount of taxes paid to a
25 municipality from the Local Government Tax Fund arising from
26 sales by retailers and servicemen within the redevelopment

1 project area or State Sales Tax Boundary, as the case may be,
2 for as long as the redevelopment project area or State Sales
3 Tax Boundary, as the case may be, exist over and above the
4 aggregate amount of taxes as certified by the Illinois
5 Department of Revenue and paid under the Municipal Retailers'
6 Occupation Tax Act and the Municipal Service Occupation Tax Act
7 by retailers and servicemen, on transactions at places of
8 business located in the redevelopment project area or State
9 Sales Tax Boundary, as the case may be, during the base year
10 which shall be the calendar year immediately prior to the year
11 in which the municipality adopted tax increment allocation
12 financing. For purposes of computing the aggregate amount of
13 such taxes for base years occurring prior to 1985, the
14 Department of Revenue shall determine the Initial Sales Tax
15 Amounts for such taxes and deduct therefrom an amount equal to
16 4% of the aggregate amount of taxes per year for each year the
17 base year is prior to 1985, but not to exceed a total deduction
18 of 12%. The amount so determined shall be known as the
19 "Adjusted Initial Sales Tax Amounts". For purposes of
20 determining the Municipal Sales Tax Increment, the Department
21 of Revenue shall for each period subtract from the amount paid
22 to the municipality from the Local Government Tax Fund arising
23 from sales by retailers and servicemen on transactions located
24 in the redevelopment project area or the State Sales Tax
25 Boundary, as the case may be, the certified Initial Sales Tax
26 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised

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

1 case may be.

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

1 prior to June 1, 1988 to finance redevelopment project costs
2 within a State Sales Tax Boundary, the Net State Sales Tax
3 Increment shall be calculated as follows: By multiplying the
4 Net State Sales Tax Increment by 90% in the State Fiscal Year
5 1999; 80% in the State Fiscal Year 2000; 70% in the State
6 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
7 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%
8 in the State Fiscal Year 2005; 20% in the State Fiscal Year
9 2006; and 10% in the State Fiscal Year 2007. No payment shall
10 be made for State Fiscal Year 2008 and thereafter.

11 Municipalities that issued bonds in connection with a
12 redevelopment project in a redevelopment project area within
13 the State Sales Tax Boundary prior to July 29, 1991, or that
14 entered into contracts in connection with a redevelopment
15 project in a redevelopment project area before June 1, 1988,
16 shall continue to receive their proportional share of the
17 Illinois Tax Increment Fund distribution until the date on
18 which the redevelopment project is completed or terminated. If,
19 however, a municipality that issued bonds in connection with a
20 redevelopment project in a redevelopment project area within
21 the State Sales Tax Boundary prior to July 29, 1991 retires the
22 bonds prior to June 30, 2007 or a municipality that entered
23 into contracts in connection with a redevelopment project in a
24 redevelopment project area before June 1, 1988 completes the
25 contracts prior to June 30, 2007, then so long as the
26 redevelopment project is not completed or is not terminated,

1 the Net State Sales Tax Increment shall be calculated,
2 beginning on the date on which the bonds are retired or the
3 contracts are completed, as follows: By multiplying the Net
4 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
5 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
6 2004; 30% in the State Fiscal Year 2005; 20% in the State
7 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
8 payment shall be made for State Fiscal Year 2008 and
9 thereafter. Refunding of any bonds issued prior to July 29,
10 1991, shall not alter the Net State Sales Tax Increment.

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

23 (k) "Net State Utility Tax Increment" means the sum of the
24 following: (a) 80% of the first \$100,000 of State Utility Tax
25 Increment annually generated by a redevelopment project area;
26 (b) 60% of the amount in excess of \$100,000 but not exceeding

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

18 Municipalities that issue bonds in connection with the
19 redevelopment project during the period from June 1, 1988 until
20 3 years after the effective date of this Amendatory Act of 1988
21 shall receive the Net State Utility Tax Increment, subject to
22 appropriation, for 15 State Fiscal Years after the issuance of
23 such bonds. For the 16th through the 20th State Fiscal Years
24 after issuance of the bonds, the Net State Utility Tax
25 Increment shall be calculated as follows: By multiplying the
26 Net State Utility Tax Increment by 90% in year 16; 80% in year

1 17; 70% in year 18; 60% in year 19; and 50% in year 20.
2 Refunding of any bonds issued prior to June 1, 1988, shall not
3 alter the revised Net State Utility Tax Increment payments set
4 forth above.

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

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

21 (n) "Redevelopment plan" means the comprehensive program
22 of the municipality for development or redevelopment intended
23 by the payment of redevelopment project costs to reduce or
24 eliminate those conditions the existence of which qualified the
25 redevelopment project area as a "blighted area" or
26 "conservation area" or combination thereof or "industrial park

1 conservation area," and thereby to enhance the tax bases of the
2 taxing districts which extend into the redevelopment project
3 area. On and after November 1, 1999 (the effective date of
4 Public Act 91-478), no redevelopment plan may be approved or
5 amended that includes the development of vacant land (i) with a
6 golf course and related clubhouse and other facilities or (ii)
7 designated by federal, State, county, or municipal government
8 as public land for outdoor recreational activities or for
9 nature preserves and used for that purpose within 5 years prior
10 to the adoption of the redevelopment plan. For the purpose of
11 this subsection, "recreational activities" is limited to mean
12 camping and hunting. Each redevelopment plan shall set forth in
13 writing the program to be undertaken to accomplish the
14 objectives and shall include but not be limited to:

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

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

20 (C) an assessment of any financial impact of the
21 redevelopment project area on or any increased demand for
22 services from any taxing district affected by the plan and
23 any program to address such financial impact or increased
24 demand;

25 (D) the sources of funds to pay costs;

26 (E) the nature and term of the obligations to be

1 issued;

2 (F) the most recent equalized assessed valuation of the
3 redevelopment project area;

4 (G) an estimate as to the equalized assessed valuation
5 after redevelopment and the general land uses to apply in
6 the redevelopment project area;

7 (H) a commitment to fair employment practices and an
8 affirmative action plan;

9 (I) if it concerns an industrial park conservation
10 area, the plan shall also include a general description of
11 any proposed developer, user and tenant of any property, a
12 description of the type, structure and general character of
13 the facilities to be developed, a description of the type,
14 class and number of new employees to be employed in the
15 operation of the facilities to be developed; and

16 (J) if property is to be annexed to the municipality,
17 the plan shall include the terms of the annexation
18 agreement.

19 The provisions of items (B) and (C) of this subsection (n)
20 shall not apply to a municipality that before March 14, 1994
21 (the effective date of Public Act 88-537) had fixed, either by
22 its corporate authorities or by a commission designated under
23 subsection (k) of Section 11-74.4-4, a time and place for a
24 public hearing as required by subsection (a) of Section
25 11-74.4-5. No redevelopment plan shall be adopted unless a
26 municipality complies with all of the following requirements:

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

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

17 (3) The redevelopment plan establishes the estimated
18 dates of completion of the redevelopment project and
19 retirement of obligations issued to finance redevelopment
20 project costs. Those dates may not be later than the dates
21 set forth under Section 11-74.4-3.5., ~~or (DDD) (EEE), or~~
22 ~~(FFF), or (GGG), or (HHH), or (III), or (JJJ), (KKK), (LLL)~~
23 ~~(MMM), or (NNN) if the ordinance was adopted on December~~
24 ~~23, 1986 by the Village of Libertyville. (NNN) if the~~
25 ~~ordinance was adopted on December 22, 1986 by the Village~~
26 ~~of Hoffman Estates.~~

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

9 (3.5) The municipality finds, in the case of an
10 industrial park conservation area, also that the
11 municipality is a labor surplus municipality and that the
12 implementation of the redevelopment plan will reduce
13 unemployment, create new jobs and by the provision of new
14 facilities enhance the tax base of the taxing districts
15 that extend into the redevelopment project area.

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

25 (5) If the redevelopment plan will not result in
26 displacement of residents from 10 or more inhabited

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

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

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

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

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

14 (7) On and after November 1, 1999, no redevelopment
15 plan shall be adopted, nor an existing plan amended, nor
16 shall residential housing that is occupied by households of
17 low-income and very low-income persons in currently
18 existing redevelopment project areas be removed after
19 November 1, 1999 unless the redevelopment plan provides,
20 with respect to inhabited housing units that are to be
21 removed for households of low-income and very low-income
22 persons, affordable housing and relocation assistance not
23 less than that which would be provided under the federal
24 Uniform Relocation Assistance and Real Property
25 Acquisition Policies Act of 1970 and the regulations under
26 that Act, including the eligibility criteria. Affordable

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

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

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

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

4 (o) "Redevelopment project" means any public and private
5 development project in furtherance of the objectives of a
6 redevelopment plan. On and after November 1, 1999 (the
7 effective date of Public Act 91-478), no redevelopment plan may
8 be approved or amended that includes the development of vacant
9 land (i) with a golf course and related clubhouse and other
10 facilities or (ii) designated by federal, State, county, or
11 municipal government as public land for outdoor recreational
12 activities or for nature preserves and used for that purpose
13 within 5 years prior to the adoption of the redevelopment plan.
14 For the purpose of this subsection, "recreational activities"
15 is limited to mean camping and hunting.

16 (p) "Redevelopment project area" means an area designated
17 by the municipality, which is not less in the aggregate than 1
18 1/2 acres and in respect to which the municipality has made a
19 finding that there exist conditions which cause the area to be
20 classified as an industrial park conservation area or a
21 blighted area or a conservation area, or a combination of both
22 blighted areas and conservation areas.

23 Notwithstanding any provision of this Act to the contrary,
24 on and after the effective date of this amendatory Act of the
25 96th General Assembly, a redevelopment project area may include
26 areas within a one-half mile radius of an existing or proposed

1 Regional Transportation Authority Suburban Transit Access
2 Route (STAR Line) station without a finding that the area is
3 classified as an industrial park conservation area, a blighted
4 area, a conservation area, or a combination thereof, but only
5 if the municipality receives unanimous consent from the joint
6 review board created to review the proposed redevelopment
7 project area.

8 (q) "Redevelopment project costs" mean and include the sum
9 total of all reasonable or necessary costs incurred or
10 estimated to be incurred, and any such costs incidental to a
11 redevelopment plan and a redevelopment project. Such costs
12 include, without limitation, the following:

13 (1) Costs of studies, surveys, development of plans,
14 and specifications, implementation and administration of
15 the redevelopment plan including but not limited to staff
16 and professional service costs for architectural,
17 engineering, legal, financial, planning or other services,
18 provided however that no charges for professional services
19 may be based on a percentage of the tax increment
20 collected; except that on and after November 1, 1999 (the
21 effective date of Public Act 91-478), no contracts for
22 professional services, excluding architectural and
23 engineering services, may be entered into if the terms of
24 the contract extend beyond a period of 3 years. In
25 addition, "redevelopment project costs" shall not include
26 lobbying expenses. After consultation with the

1 municipality, each tax increment consultant or advisor to a
2 municipality that plans to designate or has designated a
3 redevelopment project area shall inform the municipality
4 in writing of any contracts that the consultant or advisor
5 has entered into with entities or individuals that have
6 received, or are receiving, payments financed by tax
7 increment revenues produced by the redevelopment project
8 area with respect to which the consultant or advisor has
9 performed, or will be performing, service for the
10 municipality. This requirement shall be satisfied by the
11 consultant or advisor before the commencement of services
12 for the municipality and thereafter whenever any other
13 contracts with those individuals or entities are executed
14 by the consultant or advisor;

15 (1.5) After July 1, 1999, annual administrative costs
16 shall not include general overhead or administrative costs
17 of the municipality that would still have been incurred by
18 the municipality if the municipality had not designated a
19 redevelopment project area or approved a redevelopment
20 plan;

21 (1.6) The cost of marketing sites within the
22 redevelopment project area to prospective businesses,
23 developers, and investors;

24 (2) Property assembly costs, including but not limited
25 to acquisition of land and other property, real or
26 personal, or rights or interests therein, demolition of

1 buildings, site preparation, site improvements that serve
2 as an engineered barrier addressing ground level or below
3 ground environmental contamination, including, but not
4 limited to parking lots and other concrete or asphalt
5 barriers, and the clearing and grading of land;

6 (3) Costs of rehabilitation, reconstruction or repair
7 or remodeling of existing public or private buildings,
8 fixtures, and leasehold improvements; and the cost of
9 replacing an existing public building if pursuant to the
10 implementation of a redevelopment project the existing
11 public building is to be demolished to use the site for
12 private investment or devoted to a different use requiring
13 private investment;

14 (4) Costs of the construction of public works or
15 improvements, except that on and after November 1, 1999,
16 redevelopment project costs shall not include the cost of
17 constructing a new municipal public building principally
18 used to provide offices, storage space, or conference
19 facilities or vehicle storage, maintenance, or repair for
20 administrative, public safety, or public works personnel
21 and that is not intended to replace an existing public
22 building as provided under paragraph (3) of subsection (q)
23 of Section 11-74.4-3 unless either (i) the construction of
24 the new municipal building implements a redevelopment
25 project that was included in a redevelopment plan that was
26 adopted by the municipality prior to November 1, 1999 or

1 (ii) the municipality makes a reasonable determination in
2 the redevelopment plan, supported by information that
3 provides the basis for that determination, that the new
4 municipal building is required to meet an increase in the
5 need for public safety purposes anticipated to result from
6 the implementation of the redevelopment plan;

7 (5) Costs of job training and retraining projects,
8 including the cost of "welfare to work" programs
9 implemented by businesses located within the redevelopment
10 project area;

11 (6) Financing costs, including but not limited to all
12 necessary and incidental expenses related to the issuance
13 of obligations and which may include payment of interest on
14 any obligations issued hereunder including interest
15 accruing during the estimated period of construction of any
16 redevelopment project for which such obligations are
17 issued and for not exceeding 36 months thereafter and
18 including reasonable reserves related thereto;

19 (7) To the extent the municipality by written agreement
20 accepts and approves the same, all or a portion of a taxing
21 district's capital costs resulting from the redevelopment
22 project necessarily incurred or to be incurred within a
23 taxing district in furtherance of the objectives of the
24 redevelopment plan and project.

25 (7.5) For redevelopment project areas designated (or
26 redevelopment project areas amended to add or increase the

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

15 (A) for foundation districts, excluding any school
16 district in a municipality with a population in excess
17 of 1,000,000, by multiplying the district's increase
18 in attendance resulting from the net increase in new
19 students enrolled in that school district who reside in
20 housing units within the redevelopment project area
21 that have received financial assistance through an
22 agreement with the municipality or because the
23 municipality incurs the cost of necessary
24 infrastructure improvements within the boundaries of
25 the housing sites necessary for the completion of that
26 housing as authorized by this Act since the designation

1 of the redevelopment project area by the most recently
2 available per capita tuition cost as defined in Section
3 10-20.12a of the School Code less any increase in
4 general State aid as defined in Section 18-8.05 of the
5 School Code attributable to these added new students
6 subject to the following annual limitations:

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

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

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

25 (B) For alternate method districts, flat grant
26 districts, and foundation districts with a district

1 average 1995-96 Per Capita Tuition Charge equal to or
2 more than \$5,900, excluding any school district with a
3 population in excess of 1,000,000, by multiplying the
4 district's increase in attendance resulting from the
5 net increase in new students enrolled in that school
6 district who reside in housing units within the
7 redevelopment project area that have received
8 financial assistance through an agreement with the
9 municipality or because the municipality incurs the
10 cost of necessary infrastructure improvements within
11 the boundaries of the housing sites necessary for the
12 completion of that housing as authorized by this Act
13 since the designation of the redevelopment project
14 area by the most recently available per capita tuition
15 cost as defined in Section 10-20.12a of the School Code
16 less any increase in general state aid as defined in
17 Section 18-8.05 of the School Code attributable to
18 these added new students subject to the following
19 annual limitations:

20 (i) for unit school districts, no more than 40%
21 of the total amount of property tax increment
22 revenue produced by those housing units that have
23 received tax increment finance assistance under
24 this Act;

25 (ii) for elementary school districts, no more
26 than 27% of the total amount of property tax

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

4 (iii) for secondary school districts, no more
5 than 13% of the total amount of property tax
6 increment revenue produced by those housing units
7 that have received tax increment finance
8 assistance under this Act.

9 (C) For any school district in a municipality with
10 a population in excess of 1,000,000, the following
11 restrictions shall apply to the reimbursement of
12 increased costs under this paragraph (7.5):

13 (i) no increased costs shall be reimbursed
14 unless the school district certifies that each of
15 the schools affected by the assisted housing
16 project is at or over its student capacity;

17 (ii) the amount reimbursable shall be reduced
18 by the value of any land donated to the school
19 district by the municipality or developer, and by
20 the value of any physical improvements made to the
21 schools by the municipality or developer; and

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

26 Any school district seeking payment under this

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

16 (7.7) For redevelopment project areas designated (or
17 redevelopment project areas amended to add or increase the
18 number of tax-increment-financing assisted housing units)
19 on or after January 1, 2005 (the effective date of Public
20 Act 93-961), a public library district's increased costs
21 attributable to assisted housing units located within the
22 redevelopment project area for which the developer or
23 redeveloper receives financial assistance through an
24 agreement with the municipality or because the
25 municipality incurs the cost of necessary infrastructure
26 improvements within the boundaries of the assisted housing

1 sites necessary for the completion of that housing as
2 authorized by this Act shall be paid to the library
3 district by the municipality from the Special Tax
4 Allocation Fund when the tax increment revenue is received
5 as a result of the assisted housing units. This paragraph
6 (7.7) applies only if (i) the library district is located
7 in a county that is subject to the Property Tax Extension
8 Limitation Law or (ii) the library district is not located
9 in a county that is subject to the Property Tax Extension
10 Limitation Law but the district is prohibited by any other
11 law from increasing its tax levy rate without a prior voter
12 referendum.

13 The amount paid to a library district under this
14 paragraph (7.7) shall be calculated by multiplying (i) the
15 net increase in the number of persons eligible to obtain a
16 library card in that district who reside in housing units
17 within the redevelopment project area that have received
18 financial assistance through an agreement with the
19 municipality or because the municipality incurs the cost of
20 necessary infrastructure improvements within the
21 boundaries of the housing sites necessary for the
22 completion of that housing as authorized by this Act since
23 the designation of the redevelopment project area by (ii)
24 the per-patron cost of providing library services so long
25 as it does not exceed \$120. The per-patron cost shall be
26 the Total Operating Expenditures Per Capita as stated in

1 the most recent Illinois Public Library Statistics
2 produced by the Library Research Center at the University
3 of Illinois. The municipality may deduct from the amount
4 that it must pay to a library district under this paragraph
5 any amount that it has voluntarily paid to the library
6 district from the tax increment revenue. The amount paid to
7 a library district under this paragraph (7.7) shall be no
8 more than 2% of the amount produced by the assisted housing
9 units and deposited into the Special Tax Allocation Fund.

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

16 Any library district seeking payment under this
17 paragraph (7.7) shall, after July 1 and before September 30
18 of each year, provide the municipality with convincing
19 evidence to support its claim for reimbursement before the
20 municipality shall be required to approve or make the
21 payment to the library district. If the library district
22 fails to provide the information during this period in any
23 year, it shall forfeit any claim to reimbursement for that
24 year. Library districts may adopt a resolution waiving the
25 right to all or a portion of the reimbursement otherwise
26 required by this paragraph (7.7). By acceptance of such

1 reimbursement, the library district shall forfeit any
2 right to directly or indirectly set aside, modify, or
3 contest in any manner whatsoever the establishment of the
4 redevelopment project area or projects;

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

10 (9) Payment in lieu of taxes;

11 (10) Costs of job training, retraining, advanced
12 vocational education or career education, including but
13 not limited to courses in occupational, semi-technical or
14 technical fields leading directly to employment, incurred
15 by one or more taxing districts, provided that such costs
16 (i) are related to the establishment and maintenance of
17 additional job training, advanced vocational education or
18 career education programs for persons employed or to be
19 employed by employers located in a redevelopment project
20 area; and (ii) when incurred by a taxing district or taxing
21 districts other than the municipality, are set forth in a
22 written agreement by or among the municipality and the
23 taxing district or taxing districts, which agreement
24 describes the program to be undertaken, including but not
25 limited to the number of employees to be trained, a
26 description of the training and services to be provided,

1 the number and type of positions available or to be
2 available, itemized costs of the program and sources of
3 funds to pay for the same, and the term of the agreement.
4 Such costs include, specifically, the payment by community
5 college districts of costs pursuant to Sections 3-37, 3-38,
6 3-40 and 3-40.1 of the Public Community College Act and by
7 school districts of costs pursuant to Sections 10-22.20a
8 and 10-23.3a of The School Code;

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

12 (A) such costs are to be paid directly from the
13 special tax allocation fund established pursuant to
14 this Act;

15 (B) such payments in any one year may not exceed
16 30% of the annual interest costs incurred by the
17 redeveloper with regard to the redevelopment project
18 during that year;

19 (C) if there are not sufficient funds available in
20 the special tax allocation fund to make the payment
21 pursuant to this paragraph (11) then the amounts so due
22 shall accrue and be payable when sufficient funds are
23 available in the special tax allocation fund;

24 (D) the total of such interest payments paid
25 pursuant to this Act may not exceed 30% of the total
26 (i) cost paid or incurred by the redeveloper for the

1 redevelopment project plus (ii) redevelopment project
2 costs excluding any property assembly costs and any
3 relocation costs incurred by a municipality pursuant
4 to this Act; and

5 (E) the cost limits set forth in subparagraphs (B)
6 and (D) of paragraph (11) shall be modified for the
7 financing of rehabilitated or new housing units for
8 low-income households and very low-income households,
9 as defined in Section 3 of the Illinois Affordable
10 Housing Act. The percentage of 75% shall be substituted
11 for 30% in subparagraphs (B) and (D) of paragraph (11).

12 (F) Instead of the eligible costs provided by
13 subparagraphs (B) and (D) of paragraph (11), as
14 modified by this subparagraph, and notwithstanding any
15 other provisions of this Act to the contrary, the
16 municipality may pay from tax increment revenues up to
17 50% of the cost of construction of new housing units to
18 be occupied by low-income households and very
19 low-income households as defined in Section 3 of the
20 Illinois Affordable Housing Act. The cost of
21 construction of those units may be derived from the
22 proceeds of bonds issued by the municipality under this
23 Act or other constitutional or statutory authority or
24 from other sources of municipal revenue that may be
25 reimbursed from tax increment revenues or the proceeds
26 of bonds issued to finance the construction of that

1 housing.

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

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

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

1 county, or regional median income are determined from time
2 to time by the United States Department of Housing and
3 Urban Development.

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

7 (13) After November 1, 1999 (the effective date of
8 Public Act 91-478), none of the redevelopment project costs
9 enumerated in this subsection shall be eligible
10 redevelopment project costs if those costs would provide
11 direct financial support to a retail entity initiating
12 operations in the redevelopment project area while
13 terminating operations at another Illinois location within
14 10 miles of the redevelopment project area but outside the
15 boundaries of the redevelopment project area municipality.
16 For purposes of this paragraph, termination means a closing
17 of a retail operation that is directly related to the
18 opening of the same operation or like retail entity owned
19 or operated by more than 50% of the original ownership in a
20 redevelopment project area, but it does not mean closing an
21 operation for reasons beyond the control of the retail
22 entity, as documented by the retail entity, subject to a
23 reasonable finding by the municipality that the current
24 location contained inadequate space, had become
25 economically obsolete, or was no longer a viable location
26 for the retailer or serviceman.

1 (14) No cost shall be a redevelopment project cost in a
2 redevelopment project area if used to demolish, remove, or
3 substantially modify a historic resource, after August 26,
4 2008 (the effective date of Public Act 95-934) ~~this~~
5 ~~amendatory Act of the 95th General Assembly~~, unless no
6 prudent and feasible alternative exists. "Historic
7 resource" for the purpose of this item (14) means (i) a
8 place or structure that is included or eligible for
9 inclusion on the National Register of Historic Places or
10 (ii) a contributing structure in a district on the National
11 Register of Historic Places. This item (14) does not apply
12 to a place or structure for which demolition, removal, or
13 modification is subject to review by the preservation
14 agency of a Certified Local Government designated as such
15 by the National Park Service of the United States
16 Department of the Interior.

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

24 (r) "State Sales Tax Boundary" means the redevelopment
25 project area or the amended redevelopment project area
26 boundaries which are determined pursuant to subsection (9) of

1 Section 11-74.4-8a of this Act. The Department of Revenue shall
2 certify pursuant to subsection (9) of Section 11-74.4-8a the
3 appropriate boundaries eligible for the determination of State
4 Sales Tax Increment.

5 (s) "State Sales Tax Increment" means an amount equal to
6 the increase in the aggregate amount of taxes paid by retailers
7 and servicemen, other than retailers and servicemen subject to
8 the Public Utilities Act, on transactions at places of business
9 located within a State Sales Tax Boundary pursuant to the
10 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
11 Tax Act, and the Service Occupation Tax Act, except such
12 portion of such increase that is paid into the State and Local
13 Sales Tax Reform Fund, the Local Government Distributive Fund,
14 the Local Government Tax Fund and the County and Mass Transit
15 District Fund, for as long as State participation exists, over
16 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
17 Tax Amounts or the Revised Initial Sales Tax Amounts for such
18 taxes as certified by the Department of Revenue and paid under
19 those Acts by retailers and servicemen on transactions at
20 places of business located within the State Sales Tax Boundary
21 during the base year which shall be the calendar year
22 immediately prior to the year in which the municipality adopted
23 tax increment allocation financing, less 3.0% of such amounts
24 generated under the Retailers' Occupation Tax Act, Use Tax Act
25 and Service Use Tax Act and the Service Occupation Tax Act,
26 which sum shall be appropriated to the Department of Revenue to

1 cover its costs of administering and enforcing this Section.
2 For purposes of computing the aggregate amount of such taxes
3 for base years occurring prior to 1985, the Department of
4 Revenue shall compute the Initial Sales Tax Amount for such
5 taxes and deduct therefrom an amount equal to 4% of the
6 aggregate amount of taxes per year for each year the base year
7 is prior to 1985, but not to exceed a total deduction of 12%.
8 The amount so determined shall be known as the "Adjusted
9 Initial Sales Tax Amount". For purposes of determining the
10 State Sales Tax Increment the Department of Revenue shall for
11 each period subtract from the tax amounts received from
12 retailers and servicemen on transactions located in the State
13 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
14 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
15 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
16 the Service Use Tax Act and the Service Occupation Tax Act. For
17 the State Fiscal Year 1989 this calculation shall be made by
18 utilizing the calendar year 1987 to determine the tax amounts
19 received. For the State Fiscal Year 1990, this calculation
20 shall be made by utilizing the period from January 1, 1988,
21 until September 30, 1988, to determine the tax amounts received
22 from retailers and servicemen, which shall have deducted
23 therefrom nine-twelfths of the certified Initial Sales Tax
24 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
25 Initial Sales Tax Amounts as appropriate. For the State Fiscal
26 Year 1991, this calculation shall be made by utilizing the

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

15 (t) "Taxing districts" means counties, townships, cities
16 and incorporated towns and villages, school, road, park,
17 sanitary, mosquito abatement, forest preserve, public health,
18 fire protection, river conservancy, tuberculosis sanitarium
19 and any other municipal corporations or districts with the
20 power to levy taxes.

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

25 (v) As used in subsection (a) of Section 11-74.4-3 of this
26 Act, "vacant land" means any parcel or combination of parcels

1 of real property without industrial, commercial, and
2 residential buildings which has not been used for commercial
3 agricultural purposes within 5 years prior to the designation
4 of the redevelopment project area, unless the parcel is
5 included in an industrial park conservation area or the parcel
6 has been subdivided; provided that if the parcel was part of a
7 larger tract that has been divided into 3 or more smaller
8 tracts that were accepted for recording during the period from
9 1950 to 1990, then the parcel shall be deemed to have been
10 subdivided, and all proceedings and actions of the municipality
11 taken in that connection with respect to any previously
12 approved or designated redevelopment project area or amended
13 redevelopment project area are hereby validated and hereby
14 declared to be legally sufficient for all purposes of this Act.
15 For purposes of this Section and only for land subject to the
16 subdivision requirements of the Plat Act, land is subdivided
17 when the original plat of the proposed Redevelopment Project
18 Area or relevant portion thereof has been properly certified,
19 acknowledged, approved, and recorded or filed in accordance
20 with the Plat Act and a preliminary plat, if any, for any
21 subsequent phases of the proposed Redevelopment Project Area or
22 relevant portion thereof has been properly approved and filed
23 in accordance with the applicable ordinance of the
24 municipality.

25 (w) "Annual Total Increment" means the sum of each
26 municipality's annual Net Sales Tax Increment and each

1 municipality's annual Net Utility Tax Increment. The ratio of
2 the Annual Total Increment of each municipality to the Annual
3 Total Increment for all municipalities, as most recently
4 calculated by the Department, shall determine the proportional
5 shares of the Illinois Tax Increment Fund to be distributed to
6 each municipality.

7 (Source: P.A. 94-260, eff. 7-19-05; 94-268, eff. 7-19-05;
8 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-702, eff.
9 6-1-06; 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; 94-778, eff.
10 5-19-06; 94-782, eff. 5-19-06; 94-783, eff. 5-19-06; 94-810,
11 eff. 5-26-06; 94-903, eff. 6-22-06; 94-1091, eff. 1-26-07;
12 94-1092, eff. 1-26-07; 95-15, eff. 7-16-07; 95-164, eff.
13 1-1-08; 95-331, eff. 8-21-07; 95-346, eff. 8-21-07; 95-459,
14 eff. 8-27-07; 95-653, eff. 1-1-08; 95-662, eff. 10-11-07;
15 95-683, eff. 10-19-07; 95-709, eff. 1-29-08; 95-876, eff.
16 8-21-08; 95-932, eff. 8-26-08; 95-934, eff. 8-26-08; 95-964,
17 eff. 9-23-08; 95-977, eff. 9-22-08; 95-1028, eff. 1-1-10;
18 revised 1-27-09.)

19 Section 95. No acceleration or delay. Where this Act makes
20 changes in a statute that is represented in this Act by text
21 that is not yet or no longer in effect (for example, a Section
22 represented by multiple versions), the use of that text does
23 not accelerate or delay the taking effect of (i) the changes
24 made by this Act or (ii) provisions derived from any other
25 Public Act.

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.".