



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB2618

Introduced 2/20/2009, by Rep. Harry Osterman

SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-74.4-3

from Ch. 24, par. 11-74.4-3

Amends the Tax Increment Allocation Redevelopment Act in the Illinois Municipal Code. Provides that, after July 1, 2009, the term "redevelopment costs" includes costs associated with lead-abatement activities for property that is contiguous to, but not included within, the redevelopment project area if those lead-abatement activities further the purpose of the redevelopment project. Makes revisory changes. Contains a non-acceleration clause. Effective July 1, 2009.

LRB096 07383 RLJ 17469 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning local government.

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

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

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

21 (1) If improved, industrial, commercial, and
22 residential buildings or improvements are detrimental to
23 the public safety, health, or welfare because of a

1 combination of 5 or more of the following factors, each of
2 which is (i) present, with that presence documented, to a
3 meaningful extent so that a municipality may reasonably
4 find that the factor is clearly present within the intent
5 of the Act and (ii) reasonably distributed throughout the
6 improved part of the redevelopment project area:

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

14 (B) Obsolescence. The condition or process of
15 falling into disuse. Structures have become ill-suited
16 for the original use.

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

1 protruding through paved surfaces.

2 (D) Presence of structures below minimum code
3 standards. All structures that do not meet the
4 standards of zoning, subdivision, building, fire, and
5 other governmental codes applicable to property, but
6 not including housing and property maintenance codes.

7 (E) Illegal use of individual structures. The use
8 of structures in violation of applicable federal,
9 State, or local laws, exclusive of those applicable to
10 the presence of structures below minimum code
11 standards.

12 (F) Excessive vacancies. The presence of buildings
13 that are unoccupied or under-utilized and that
14 represent an adverse influence on the area because of
15 the frequency, extent, or duration of the vacancies.

16 (G) Lack of ventilation, light, or sanitary
17 facilities. The absence of adequate ventilation for
18 light or air circulation in spaces or rooms without
19 windows, or that require the removal of dust, odor,
20 gas, smoke, or other noxious airborne materials.
21 Inadequate natural light and ventilation means the
22 absence of skylights or windows for interior spaces or
23 rooms and improper window sizes and amounts by room
24 area to window area ratios. Inadequate sanitary
25 facilities refers to the absence or inadequacy of
26 garbage storage and enclosure, bathroom facilities,

1 hot water and kitchens, and structural inadequacies
2 preventing ingress and egress to and from all rooms and
3 units within a building.

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

13 (I) Excessive land coverage and overcrowding of
14 structures and community facilities. The
15 over-intensive use of property and the crowding of
16 buildings and accessory facilities onto a site.
17 Examples of problem conditions warranting the
18 designation of an area as one exhibiting excessive land
19 coverage are: (i) the presence of buildings either
20 improperly situated on parcels or located on parcels of
21 inadequate size and shape in relation to present-day
22 standards of development for health and safety and (ii)
23 the presence of multiple buildings on a single parcel.
24 For there to be a finding of excessive land coverage,
25 these parcels must exhibit one or more of the following
26 conditions: insufficient provision for light and air

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

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

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

23 (L) Lack of community planning. The proposed
24 redevelopment project area was developed prior to or
25 without the benefit or guidance of a community plan.
26 This means that the development occurred prior to the

1 adoption by the municipality of a comprehensive or
2 other community plan or that the plan was not followed
3 at the time of the area's development. This factor must
4 be documented by evidence of adverse or incompatible
5 land-use relationships, inadequate street layout,
6 improper subdivision, parcels of inadequate shape and
7 size to meet contemporary development standards, or
8 other evidence demonstrating an absence of effective
9 community planning.

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

23 (2) If vacant, the sound growth of the redevelopment
24 project area is impaired by a combination of 2 or more of
25 the following factors, each of which is (i) present, with
26 that presence documented, to a meaningful extent so that a

1 municipality may reasonably find that the factor is clearly
2 present within the intent of the Act and (ii) reasonably
3 distributed throughout the vacant part of the
4 redevelopment project area to which it pertains:

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

15 (B) Diversity of ownership of parcels of vacant
16 land sufficient in number to retard or impede the
17 ability to assemble the land for development.

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

21 (D) Deterioration of structures or site
22 improvements in neighboring areas adjacent to the
23 vacant land.

24 (E) The area has incurred Illinois Environmental
25 Protection Agency or United States Environmental
26 Protection Agency remediation costs for, or a study

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

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

22 (3) If vacant, the sound growth of the redevelopment
23 project area is impaired by one of the following factors
24 that (i) is present, with that presence documented, to a
25 meaningful extent so that a municipality may reasonably
26 find that the factor is clearly present within the intent

1 of the Act and (ii) is reasonably distributed throughout
2 the vacant part of the redevelopment project area to which
3 it pertains:

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

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

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

17 (D) The area consists of an unused or illegal
18 disposal site containing earth, stone, building
19 debris, or similar materials that were removed from
20 construction, demolition, excavation, or dredge sites.

21 (E) Prior to November 1, 1999, the area is not less
22 than 50 nor more than 100 acres and 75% of which is
23 vacant (notwithstanding that the area has been used for
24 commercial agricultural purposes within 5 years prior
25 to the designation of the redevelopment project area),
26 and the area meets at least one of the factors itemized

1 in paragraph (1) of this subsection, the area has been
2 designated as a town or village center by ordinance or
3 comprehensive plan adopted prior to January 1, 1982,
4 and the area has not been developed for that designated
5 purpose.

6 (F) The area qualified as a blighted improved area
7 immediately prior to becoming vacant, unless there has
8 been substantial private investment in the immediately
9 surrounding area.

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

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

23 (1) Dilapidation. An advanced state of disrepair or
24 neglect of necessary repairs to the primary structural
25 components of buildings or improvements in such a
26 combination that a documented building condition analysis

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

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

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

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

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

26 (6) Excessive vacancies. The presence of buildings

1 that are unoccupied or under-utilized and that represent an
2 adverse influence on the area because of the frequency,
3 extent, or duration of the vacancies.

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

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

25 (9) Excessive land coverage and overcrowding of
26 structures and community facilities. The over-intensive

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

17 (10) Deleterious land use or layout. The existence of
18 incompatible land-use relationships, buildings occupied by
19 inappropriate mixed-uses, or uses considered to be
20 noxious, offensive, or unsuitable for the surrounding
21 area.

22 (11) Lack of community planning. The proposed
23 redevelopment project area was developed prior to or
24 without the benefit or guidance of a community plan. This
25 means that the development occurred prior to the adoption
26 by the municipality of a comprehensive or other community

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

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

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

1 Department of Labor or successor agency for 3 of the last 5
2 calendar years for which information is available.

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

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

23 (e) "Labor surplus municipality" means a municipality in
24 which, at any time during the 6 months before the municipality
25 by ordinance designates an industrial park conservation area,
26 the unemployment rate was over 6% and was also 100% or more of

1 the national average unemployment rate for that same time as
2 published in the United States Department of Labor Bureau of
3 Labor Statistics publication entitled "The Employment
4 Situation" or its successor publication. For the purpose of
5 this subsection, if unemployment rate statistics for the
6 municipality are not available, the unemployment rate in the
7 municipality shall be deemed to be the same as the unemployment
8 rate in the principal county in which the municipality is
9 located.

10 (f) "Municipality" shall mean a city, village,
11 incorporated town, or a township that is located in the
12 unincorporated portion of a county with 3 million or more
13 inhabitants, if the county adopted an ordinance that approved
14 the township's redevelopment plan.

15 (g) "Initial Sales Tax Amounts" means the amount of taxes
16 paid under the Retailers' Occupation Tax Act, Use Tax Act,
17 Service Use Tax Act, the Service Occupation Tax Act, the
18 Municipal Retailers' Occupation Tax Act, and the Municipal
19 Service Occupation Tax Act by retailers and servicemen on
20 transactions at places located in a State Sales Tax Boundary
21 during the calendar year 1985.

22 (g-1) "Revised Initial Sales Tax Amounts" means the amount
23 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
24 Act, 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 within the State Sales Tax
2 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

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

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

1 Tax Amounts as appropriate. For every State Fiscal Year
2 thereafter, the applicable period shall be the 12 months
3 beginning July 1 and ending June 30 to determine the tax
4 amounts received which shall have deducted therefrom the
5 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
6 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
7 case may be.

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

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

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

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

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

1 of the ordinance authorizing tax increment allocation
2 financing.

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

24 Municipalities that issue bonds in connection with the
25 redevelopment project during the period from June 1, 1988 until
26 3 years after the effective date of this Amendatory Act of 1988

1 shall receive the Net State Utility Tax Increment, subject to
2 appropriation, for 15 State Fiscal Years after the issuance of
3 such bonds. For the 16th through the 20th State Fiscal Years
4 after issuance of the bonds, the Net State Utility Tax
5 Increment shall be calculated as follows: By multiplying the
6 Net State Utility Tax Increment by 90% in year 16; 80% in year
7 17; 70% in year 18; 60% in year 19; and 50% in year 20.
8 Refunding of any bonds issued prior to June 1, 1988, shall not
9 alter the revised Net State Utility Tax Increment payments set
10 forth above.

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

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

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

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

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

26 (C) an assessment of any financial impact of the

1 redevelopment project area on or any increased demand for
2 services from any taxing district affected by the plan and
3 any program to address such financial impact or increased
4 demand;

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

6 (E) the nature and term of the obligations to be
7 issued;

8 (F) the most recent equalized assessed valuation of the
9 redevelopment project area;

10 (G) an estimate as to the equalized assessed valuation
11 after redevelopment and the general land uses to apply in
12 the redevelopment project area;

13 (H) a commitment to fair employment practices and an
14 affirmative action plan;

15 (I) if it concerns an industrial park conservation
16 area, the plan shall also include a general description of
17 any proposed developer, user and tenant of any property, a
18 description of the type, structure and general character of
19 the facilities to be developed, a description of the type,
20 class and number of new employees to be employed in the
21 operation of the facilities to be developed; and

22 (J) if property is to be annexed to the municipality,
23 the plan shall include the terms of the annexation
24 agreement.

25 The provisions of items (B) and (C) of this subsection (n)
26 shall not apply to a municipality that before March 14, 1994

1 (the effective date of Public Act 88-537) had fixed, either by
2 its corporate authorities or by a commission designated under
3 subsection (k) of Section 11-74.4-4, a time and place for a
4 public hearing as required by subsection (a) of Section
5 11-74.4-5. No redevelopment plan shall be adopted unless a
6 municipality complies with all of the following requirements:

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

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

23 (3) The redevelopment plan establishes the estimated
24 dates of completion of the redevelopment project and
25 retirement of obligations issued to finance redevelopment
26 project costs. Those dates may not be later than the dates

1 set forth under Section 11-74.4-3.5., ~~or (DDD) (EEE), or~~
2 ~~(FFF), or (GGG), or (HHH), or (III), or (JJJ), (KKK), (LLL)~~
3 ~~(MMM), or (NNN) if the ordinance was adopted on December~~
4 ~~23, 1986 by the Village of Libertyville.~~

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

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

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

1 utilized for the development of the redevelopment project
2 area.

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

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

1 data from the most recent federal census.

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

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

18 (7) On and after November 1, 1999, no redevelopment
19 plan shall be adopted, nor an existing plan amended, nor
20 shall residential housing that is occupied by households of
21 low-income and very low-income persons in currently
22 existing redevelopment project areas be removed after
23 November 1, 1999 unless the redevelopment plan provides,
24 with respect to inhabited housing units that are to be
25 removed for households of low-income and very low-income
26 persons, affordable housing and relocation assistance not

1 less than that which would be provided under the federal
2 Uniform Relocation Assistance and Real Property
3 Acquisition Policies Act of 1970 and the regulations under
4 that Act, including the eligibility criteria. Affordable
5 housing may be either existing or newly constructed
6 housing. For purposes of this paragraph (7), "low-income
7 households", "very low-income households", and "affordable
8 housing" have the meanings set forth in the Illinois
9 Affordable Housing Act. The municipality shall make a good
10 faith effort to ensure that this affordable housing is
11 located in or near the redevelopment project area within
12 the municipality.

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

20 (9) For redevelopment project areas designated prior
21 to November 1, 1999, the redevelopment plan may be amended
22 without further joint review board meeting or hearing,
23 provided that the municipality shall give notice of any
24 such changes by mail to each affected taxing district and
25 registrant on the interested party registry, to authorize
26 the municipality to expend tax increment revenues for

1 redevelopment project costs defined by paragraphs (5) and
2 (7.5), subparagraphs (E) and (F) of paragraph (11), and
3 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so
4 long as the changes do not increase the total estimated
5 redevelopment project costs set out in the redevelopment
6 plan by more than 5% after adjustment for inflation from
7 the date the plan was adopted.

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

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

1 (q) "Redevelopment project costs" mean and include the sum
2 total of all reasonable or necessary costs incurred or
3 estimated to be incurred, and any such costs incidental to a
4 redevelopment plan and a redevelopment project. Such costs
5 include, without limitation, the following:

6 (1) Costs of studies, surveys, development of plans,
7 and specifications, implementation and administration of
8 the redevelopment plan including but not limited to staff
9 and professional service costs for architectural,
10 engineering, legal, financial, planning or other services,
11 provided however that no charges for professional services
12 may be based on a percentage of the tax increment
13 collected; except that on and after November 1, 1999 (the
14 effective date of Public Act 91-478), no contracts for
15 professional services, excluding architectural and
16 engineering services, may be entered into if the terms of
17 the contract extend beyond a period of 3 years. In
18 addition, "redevelopment project costs" shall not include
19 lobbying expenses. After consultation with the
20 municipality, each tax increment consultant or advisor to a
21 municipality that plans to designate or has designated a
22 redevelopment project area shall inform the municipality
23 in writing of any contracts that the consultant or advisor
24 has entered into with entities or individuals that have
25 received, or are receiving, payments financed by tax
26 increment revenues produced by the redevelopment project

1 area with respect to which the consultant or advisor has
2 performed, or will be performing, service for the
3 municipality. This requirement shall be satisfied by the
4 consultant or advisor before the commencement of services
5 for the municipality and thereafter whenever any other
6 contracts with those individuals or entities are executed
7 by the consultant or advisor;

8 (1.5) After July 1, 1999, annual administrative costs
9 shall not include general overhead or administrative costs
10 of the municipality that would still have been incurred by
11 the municipality if the municipality had not designated a
12 redevelopment project area or approved a redevelopment
13 plan;

14 (1.6) The cost of marketing sites within the
15 redevelopment project area to prospective businesses,
16 developers, and investors;

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

25 (3) Costs of rehabilitation, reconstruction or repair
26 or remodeling of existing public or private buildings,

1 fixtures, and leasehold improvements; and the cost of
2 replacing an existing public building if pursuant to the
3 implementation of a redevelopment project the existing
4 public building is to be demolished to use the site for
5 private investment or devoted to a different use requiring
6 private investment;

7 (3.5) After July 1, 2009, costs associated with
8 lead-abatement activities for property that is contiguous
9 to, but not included within, the redevelopment project area
10 if those lead-abatement activities would further the
11 purpose of the redevelopment project;

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

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

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

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

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

23 (7.5) For redevelopment project areas designated (or
24 redevelopment project areas amended to add or increase the
25 number of tax-increment-financing assisted housing units)
26 on or after November 1, 1999, an elementary, secondary, or

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

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

1 10-20.12a of the School Code less any increase in
2 general State aid as defined in Section 18-8.05 of the
3 School Code attributable to these added new students
4 subject to the following annual limitations:

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

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

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

23 (B) For alternate method districts, flat grant
24 districts, and foundation districts with a district
25 average 1995-96 Per Capita Tuition Charge equal to or
26 more than \$5,900, excluding any school district with a

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

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

23 (ii) for elementary school districts, no more
24 than 27% of the total amount of property tax
25 increment revenue produced by those housing units
26 that have received tax increment finance

1 assistance under this Act; and

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

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

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

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

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

24 Any school district seeking payment under this
25 paragraph (7.5) shall, after July 1 and before
26 September 30 of each year, provide the municipality

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

14 (7.7) For redevelopment project areas designated (or
15 redevelopment project areas amended to add or increase the
16 number of tax-increment-financing assisted housing units)
17 on or after January 1, 2005 (the effective date of Public
18 Act 93-961), a public library district's increased costs
19 attributable to assisted housing units located within the
20 redevelopment project area for which the developer or
21 redeveloper receives financial assistance through an
22 agreement with the municipality or because the
23 municipality incurs the cost of necessary infrastructure
24 improvements within the boundaries of the assisted housing
25 sites necessary for the completion of that housing as
26 authorized by this Act shall be paid to the library

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

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

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

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

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

1 contest in any manner whatsoever the establishment of the
2 redevelopment project area or projects;

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

8 (9) Payment in lieu of taxes;

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

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

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

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

13 (B) such payments in any one year may not exceed
14 30% of the annual interest costs incurred by the
15 redeveloper with regard to the redevelopment project
16 during that year;

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

22 (D) the total of such interest payments paid
23 pursuant to this Act may not exceed 30% of the total
24 (i) cost paid or incurred by the redeveloper for the
25 redevelopment project plus (ii) redevelopment project
26 costs excluding any property assembly costs and any

1 relocation costs incurred by a municipality pursuant
2 to this Act; and

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

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

26 The eligible costs provided under this

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

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

12 (11.5) If the redevelopment project area is located
13 within a municipality with a population of more than
14 100,000, the cost of day care services for children of
15 employees from low-income families working for businesses
16 located within the redevelopment project area and all or a
17 portion of the cost of operation of day care centers
18 established by redevelopment project area businesses to
19 serve employees from low-income families working in
20 businesses located in the redevelopment project area. For
21 the purposes of this paragraph, "low-income families"
22 means families whose annual income does not exceed 80% of
23 the municipal, county, or regional median income, adjusted
24 for family size, as the annual income and municipal,
25 county, or regional median income are determined from time
26 to time by the United States Department of Housing and

1 Urban Development.

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

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

25 (14) No cost shall be a redevelopment project cost in a
26 redevelopment project area if used to demolish, remove, or

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

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

22 (r) "State Sales Tax Boundary" means the redevelopment
23 project area or the amended redevelopment project area
24 boundaries which are determined pursuant to subsection (9) of
25 Section 11-74.4-8a of this Act. The Department of Revenue shall
26 certify pursuant to subsection (9) of Section 11-74.4-8a the

1 appropriate boundaries eligible for the determination of State
2 Sales Tax Increment.

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

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

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

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

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

23 (v) As used in subsection (a) of Section 11-74.4-3 of this
24 Act, "vacant land" means any parcel or combination of parcels
25 of real property without industrial, commercial, and
26 residential buildings which has not been used for commercial

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

23 (w) "Annual Total Increment" means the sum of each
24 municipality's annual Net Sales Tax Increment and each
25 municipality's annual Net Utility Tax Increment. The ratio of
26 the Annual Total Increment of each municipality to the Annual

1 Total Increment for all municipalities, as most recently
2 calculated by the Department, shall determine the proportional
3 shares of the Illinois Tax Increment Fund to be distributed to
4 each municipality.

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

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

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

21 (a) For any redevelopment project area that has been
22 designated pursuant to this Section by an ordinance adopted
23 prior to November 1, 1999 (the effective date of Public Act
24 91-478), "blighted area" shall have the meaning set forth in
25 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. (NNN) if the~~
12 ~~ordinance was adopted on December 22, 1986 by the Village~~
13 ~~of Hoffman Estates.~~

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

22 (3.5) The municipality finds, in the case of an
23 industrial park conservation area, also that the
24 municipality is a labor surplus municipality and that the
25 implementation of the redevelopment plan will reduce
26 unemployment, create new jobs and by the provision of new

1 facilities enhance the tax base of the taxing districts
2 that extend into the redevelopment project area.

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

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

24 Part I of the housing impact study shall include (i)
25 data as to whether the residential units are single family
26 or multi-family units, (ii) the number and type of rooms

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

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

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

1 (7) On and after November 1, 1999, no redevelopment
2 plan shall be adopted, nor an existing plan amended, nor
3 shall residential housing that is occupied by households of
4 low-income and very low-income persons in currently
5 existing redevelopment project areas be removed after
6 November 1, 1999 unless the redevelopment plan provides,
7 with respect to inhabited housing units that are to be
8 removed for households of low-income and very low-income
9 persons, affordable housing and relocation assistance not
10 less than that which would be provided under the federal
11 Uniform Relocation Assistance and Real Property
12 Acquisition Policies Act of 1970 and the regulations under
13 that Act, including the eligibility criteria. Affordable
14 housing may be either existing or newly constructed
15 housing. For purposes of this paragraph (7), "low-income
16 households", "very low-income households", and "affordable
17 housing" have the meanings set forth in the Illinois
18 Affordable Housing Act. The municipality shall make a good
19 faith effort to ensure that this affordable housing is
20 located in or near the redevelopment project area within
21 the municipality.

22 (8) On and after November 1, 1999, if, after the
23 adoption of the redevelopment plan for the redevelopment
24 project area, any municipality desires to amend its
25 redevelopment plan to remove more inhabited residential
26 units than specified in its original redevelopment plan,

1 that change shall be made in accordance with the procedures
2 in subsection (c) of Section 11-74.4-5.

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

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

1 For the purpose of this subsection, "recreational activities"
2 is limited to mean camping and hunting.

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

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

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

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

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

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

26 (2) Property assembly costs, including but not limited

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

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

16 (3.5) After July 1, 2009, costs associated with
17 lead-abatement activities for property that is contiguous
18 to, but not included within, the redevelopment project area
19 if those lead-abatement activities would further the
20 purpose of the redevelopment project;

21 (4) Costs of the construction of public works or
22 improvements, except that on and after November 1, 1999,
23 redevelopment project costs shall not include the cost of
24 constructing a new municipal public building principally
25 used to provide offices, storage space, or conference
26 facilities or vehicle storage, maintenance, or repair for

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

14 (5) Costs of job training and retraining projects,
15 including the cost of "welfare to work" programs
16 implemented by businesses located within the redevelopment
17 project area;

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

26 (7) To the extent the municipality by written agreement

1 accepts and approves the same, all or a portion of a taxing
2 district's capital costs resulting from the redevelopment
3 project necessarily incurred or to be incurred within a
4 taxing district in furtherance of the objectives of the
5 redevelopment plan and project.

6 (7.5) For redevelopment project areas designated (or
7 redevelopment project areas amended to add or increase the
8 number of tax-increment-financing assisted housing units)
9 on or after November 1, 1999, an elementary, secondary, or
10 unit school district's increased costs attributable to
11 assisted housing units located within the redevelopment
12 project area for which the developer or redeveloper
13 receives financial assistance through an agreement with
14 the municipality or because the municipality incurs the
15 cost of necessary infrastructure improvements within the
16 boundaries of the assisted housing sites necessary for the
17 completion of that housing as authorized by this Act, and
18 which costs shall be paid by the municipality from the
19 Special Tax Allocation Fund when the tax increment revenue
20 is received as a result of the assisted housing units and
21 shall be calculated annually as follows:

22 (A) for foundation districts, excluding any school
23 district in a municipality with a population in excess
24 of 1,000,000, by multiplying the district's increase
25 in attendance resulting from the net increase in new
26 students enrolled in that school district who reside in

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

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

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

26 (iii) for secondary school districts with a

1 district average 1995-96 Per Capita Tuition Charge
2 of less than \$5,900, no more than 8% of the total
3 amount of property tax increment revenue produced
4 by those housing units that have received tax
5 increment finance assistance under this Act.

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

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

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

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

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

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

24 (ii) the amount reimbursable shall be reduced
25 by the value of any land donated to the school
26 district by the municipality or developer, and by

1 the value of any physical improvements made to the
2 schools by the municipality or developer; and

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

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

23 (7.7) For redevelopment project areas designated (or
24 redevelopment project areas amended to add or increase the
25 number of tax-increment-financing assisted housing units)
26 on or after January 1, 2005 (the effective date of Public

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

20 The amount paid to a library district under this
21 paragraph (7.7) shall be calculated by multiplying (i) the
22 net increase in the number of persons eligible to obtain a
23 library card in that district who reside in housing units
24 within the redevelopment project area that have received
25 financial assistance through an agreement with the
26 municipality or because the municipality incurs the cost of

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

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

23 Any library district seeking payment under this
24 paragraph (7.7) shall, after July 1 and before September 30
25 of each year, provide the municipality with convincing
26 evidence to support its claim for reimbursement before the

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

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

17 (9) Payment in lieu of taxes;

18 (10) Costs of job training, retraining, advanced
19 vocational education or career education, including but
20 not limited to courses in occupational, semi-technical or
21 technical fields leading directly to employment, incurred
22 by one or more taxing districts, provided that such costs
23 (i) are related to the establishment and maintenance of
24 additional job training, advanced vocational education or
25 career education programs for persons employed or to be
26 employed by employers located in a redevelopment project

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

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

19 (A) such costs are to be paid directly from the
20 special tax allocation fund established pursuant to
21 this Act;

22 (B) such payments in any one year may not exceed
23 30% of the annual interest costs incurred by the
24 redeveloper with regard to the redevelopment project
25 during that year;

26 (C) if there are not sufficient funds available in

1 the special tax allocation fund to make the payment
2 pursuant to this paragraph (11) then the amounts so due
3 shall accrue and be payable when sufficient funds are
4 available in the special tax allocation fund;

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

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

19 (F) Instead of the eligible costs provided by
20 subparagraphs (B) and (D) of paragraph (11), as
21 modified by this subparagraph, and notwithstanding any
22 other provisions of this Act to the contrary, the
23 municipality may pay from tax increment revenues up to
24 50% of the cost of construction of new housing units to
25 be occupied by low-income households and very
26 low-income households as defined in Section 3 of the

1 Illinois Affordable Housing Act. The cost of
2 construction of those units may be derived from the
3 proceeds of bonds issued by the municipality under this
4 Act or other constitutional or statutory authority or
5 from other sources of municipal revenue that may be
6 reimbursed from tax increment revenues or the proceeds
7 of bonds issued to finance the construction of that
8 housing.

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

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

21 (11.5) If the redevelopment project area is located
22 within a municipality with a population of more than
23 100,000, the cost of day care services for children of
24 employees from low-income families working for businesses
25 located within the redevelopment project area and all or a
26 portion of the cost of operation of day care centers

1 established by redevelopment project area businesses to
2 serve employees from low-income families working in
3 businesses located in the redevelopment project area. For
4 the purposes of this paragraph, "low-income families"
5 means families whose annual income does not exceed 80% of
6 the municipal, county, or regional median income, adjusted
7 for family size, as the annual income and municipal,
8 county, or regional median income are determined from time
9 to time by the United States Department of Housing and
10 Urban Development.

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

14 (13) After November 1, 1999 (the effective date of
15 Public Act 91-478), none of the redevelopment project costs
16 enumerated in this subsection shall be eligible
17 redevelopment project costs if those costs would provide
18 direct financial support to a retail entity initiating
19 operations in the redevelopment project area while
20 terminating operations at another Illinois location within
21 10 miles of the redevelopment project area but outside the
22 boundaries of the redevelopment project area municipality.
23 For purposes of this paragraph, termination means a closing
24 of a retail operation that is directly related to the
25 opening of the same operation or like retail entity owned
26 or operated by more than 50% of the original ownership in a

1 redevelopment project area, but it does not mean closing an
2 operation for reasons beyond the control of the retail
3 entity, as documented by the retail entity, subject to a
4 reasonable finding by the municipality that the current
5 location contained inadequate space, had become
6 economically obsolete, or was no longer a viable location
7 for the retailer or serviceman.

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

24 If a special service area has been established pursuant to
25 the Special Service Area Tax Act or Special Service Area Tax
26 Law, then any tax increment revenues derived from the tax

1 imposed pursuant to the Special Service Area Tax Act or Special
2 Service Area Tax Law may be used within the redevelopment
3 project area for the purposes permitted by that Act or Law as
4 well as the purposes permitted by this Act.

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

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

1 places of business located within the State Sales Tax Boundary
2 during the base year which shall be the calendar year
3 immediately prior to the year in which the municipality adopted
4 tax increment allocation financing, less 3.0% of such amounts
5 generated under the Retailers' Occupation Tax Act, Use Tax Act
6 and Service Use Tax Act and the Service Occupation Tax Act,
7 which sum shall be appropriated to the Department of Revenue to
8 cover its costs of administering and enforcing this Section.
9 For purposes of computing the aggregate amount of such taxes
10 for base years occurring prior to 1985, the Department of
11 Revenue shall compute the Initial Sales Tax Amount for such
12 taxes and deduct therefrom an amount equal to 4% of the
13 aggregate amount of taxes per year for each year the base year
14 is prior to 1985, but not to exceed a total deduction of 12%.
15 The amount so determined shall be known as the "Adjusted
16 Initial Sales Tax Amount". For purposes of determining the
17 State Sales Tax Increment the Department of Revenue shall for
18 each period subtract from the tax amounts received from
19 retailers and servicemen on transactions located in the State
20 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
21 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
22 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
23 the Service Use Tax Act and the Service Occupation Tax Act. For
24 the State Fiscal Year 1989 this calculation shall be made by
25 utilizing the calendar year 1987 to determine the tax amounts
26 received. For the State Fiscal Year 1990, this calculation

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

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

1 power to levy taxes.

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

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

1 with the Plat Act and a preliminary plat, if any, for any
2 subsequent phases of the proposed Redevelopment Project Area or
3 relevant portion thereof has been properly approved and filed
4 in accordance with the applicable ordinance of the
5 municipality.

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

14 (Source: P.A. 94-260, eff. 7-19-05; 94-268, eff. 7-19-05;
15 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-702, eff.
16 6-1-06; 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; 94-778, eff.
17 5-19-06; 94-782, eff. 5-19-06; 94-783, eff. 5-19-06; 94-810,
18 eff. 5-26-06; 94-903, eff. 6-22-06; 94-1091, eff. 1-26-07;
19 94-1092, eff. 1-26-07; 95-15, eff. 7-16-07; 95-164, eff.
20 1-1-08; 95-331, eff. 8-21-07; 95-346, eff. 8-21-07; 95-459,
21 eff. 8-27-07; 95-653, eff. 1-1-08; 95-662, eff. 10-11-07;
22 95-683, eff. 10-19-07; 95-709, eff. 1-29-08; 95-876, eff.
23 8-21-08; 95-932, eff. 8-26-08; 95-934, eff. 8-26-08; 95-964,
24 eff. 9-23-08; 95-977, eff. 9-22-08; 95-1028, eff. 1-1-10;
25 revised 1-27-09.)

1 Section 95. No acceleration or delay. Where this Act makes
2 changes in a statute that is represented in this Act by text
3 that is not yet or no longer in effect (for example, a Section
4 represented by multiple versions), the use of that text does
5 not accelerate or delay the taking effect of (i) the changes
6 made by this Act or (ii) provisions derived from any other
7 Public Act.

8 Section 99. Effective date. This Act takes effect July 1,
9 2009.