

1 AN ACT concerning State 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; including any direct or indirect costs
7 relating to LEED certified construction elements;

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

1 need for public safety purposes anticipated to result from
2 the implementation of the redevelopment plan;

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

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

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

21 (7.5) For redevelopment project areas designated (or
22 redevelopment project areas amended to add or increase the
23 number of tax-increment-financing assisted housing units)
24 on or after November 1, 1999, an elementary, secondary, or
25 unit school district's increased costs attributable to
26 assisted housing units located within the redevelopment

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

11 (A) for foundation districts, excluding any school
12 district in a municipality with a population in excess
13 of 1,000,000, by multiplying the district's increase
14 in attendance resulting from the net increase in new
15 students enrolled in that school district who reside in
16 housing units within the redevelopment project area
17 that have received financial assistance through an
18 agreement with the municipality or because the
19 municipality incurs the cost of necessary
20 infrastructure improvements within the boundaries of
21 the housing sites necessary for the completion of that
22 housing as authorized by this Act since the designation
23 of the redevelopment project area by the most recently
24 available per capita tuition cost as defined in Section
25 10-20.12a of the School Code less any increase in
26 general State aid as defined in Section 18-8.05 of the

1 School Code attributable to these added new students
2 subject to the following annual limitations:

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

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

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

21 (B) For alternate method districts, flat grant
22 districts, and foundation districts with a district
23 average 1995-96 Per Capita Tuition Charge equal to or
24 more than \$5,900, excluding any school district with a
25 population in excess of 1,000,000, by multiplying the
26 district's increase in attendance resulting from the

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

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

21 (ii) for elementary school districts, no more
22 than 27% of the total amount of property tax
23 increment revenue produced by those housing units
24 that have received tax increment finance
25 assistance under this Act; and

26 (iii) for secondary school districts, no more

1 than 13% of the total amount of property tax
2 increment revenue produced by those housing units
3 that have received tax increment finance
4 assistance under this Act.

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

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

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

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

22 Any school district seeking payment under this
23 paragraph (7.5) shall, after July 1 and before
24 September 30 of each year, provide the municipality
25 with reasonable evidence to support its claim for
26 reimbursement before the municipality shall be

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

12 (7.7) For redevelopment project areas designated (or
13 redevelopment project areas amended to add or increase the
14 number of tax-increment-financing assisted housing units)
15 on or after January 1, 2005 (the effective date of Public
16 Act 93-961), a public library district's increased costs
17 attributable to assisted housing units located within the
18 redevelopment project area for which the developer or
19 redeveloper receives financial assistance through an
20 agreement with the municipality or because the
21 municipality incurs the cost of necessary infrastructure
22 improvements within the boundaries of the assisted housing
23 sites necessary for the completion of that housing as
24 authorized by this Act shall be paid to the library
25 district by the municipality from the Special Tax
26 Allocation Fund when the tax increment revenue is received

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

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

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

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

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

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

6 (9) Payment in lieu of taxes;

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

1 college districts of costs pursuant to Sections 3-37, 3-38,
2 3-40 and 3-40.1 of the Public Community College Act and by
3 school districts of costs pursuant to Sections 10-22.20a
4 and 10-23.3a of The School Code;

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

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

11 (B) such payments in any one year may not exceed
12 30% of the annual interest costs incurred by the
13 redeveloper with regard to the redevelopment project
14 during that year;

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

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

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

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

24 The eligible costs provided under this
25 subparagraph (F) of paragraph (11) shall be an eligible
26 cost for the construction, renovation, and

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

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

10 (11.5) If the redevelopment project area is located
11 within a municipality with a population of more than
12 100,000, the cost of day care services for children of
13 employees from low-income families working for businesses
14 located within the redevelopment project area and all or a
15 portion of the cost of operation of day care centers
16 established by redevelopment project area businesses to
17 serve employees from low-income families working in
18 businesses located in the redevelopment project area. For
19 the purposes of this paragraph, "low-income families"
20 means families whose annual income does not exceed 80% of
21 the municipal, county, or regional median income, adjusted
22 for family size, as the annual income and municipal,
23 county, or regional median income are determined from time
24 to time by the United States Department of Housing and
25 Urban Development.

26 (12) Unless explicitly stated herein the cost of

1 construction of new privately-owned buildings shall not be
2 an eligible redevelopment project cost.

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

23 (14) No cost shall be a redevelopment project cost in a
24 redevelopment project area if used to demolish, remove, or
25 substantially modify a historic resource, after August 26,
26 2008 (the effective date of Public Act 95-934) ~~this~~

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

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

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

1 (s) "State Sales Tax Increment" means an amount equal to
2 the increase in the aggregate amount of taxes paid by retailers
3 and servicemen, other than retailers and servicemen subject to
4 the Public Utilities Act, on transactions at places of business
5 located within a State Sales Tax Boundary pursuant to the
6 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
7 Tax Act, and the Service Occupation Tax Act, except such
8 portion of such increase that is paid into the State and Local
9 Sales Tax Reform Fund, the Local Government Distributive Fund,
10 the Local Government Tax Fund and the County and Mass Transit
11 District Fund, for as long as State participation exists, over
12 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
13 Tax Amounts or the Revised Initial Sales Tax Amounts for such
14 taxes as certified by the Department of Revenue and paid under
15 those Acts by retailers and servicemen on transactions at
16 places of business located within the State Sales Tax Boundary
17 during the base year which shall be the calendar year
18 immediately prior to the year in which the municipality adopted
19 tax increment allocation financing, less 3.0% of such amounts
20 generated under the Retailers' Occupation Tax Act, Use Tax Act
21 and Service Use Tax Act and the Service Occupation Tax Act,
22 which sum shall be appropriated to the Department of Revenue to
23 cover its costs of administering and enforcing this Section.
24 For purposes of computing the aggregate amount of such taxes
25 for base years occurring prior to 1985, the Department of
26 Revenue shall compute the Initial Sales Tax Amount for such

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

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

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

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

21 (v) As used in subsection (a) of Section 11-74.4-3 of this
22 Act, "vacant land" means any parcel or combination of parcels
23 of real property without industrial, commercial, and
24 residential buildings which has not been used for commercial
25 agricultural purposes within 5 years prior to the designation
26 of the redevelopment project area, unless the parcel is

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

21 (w) "Annual Total Increment" means the sum of each
22 municipality's annual Net Sales Tax Increment and each
23 municipality's annual Net Utility Tax Increment. The ratio of
24 the Annual Total Increment of each municipality to the Annual
25 Total Increment for all municipalities, as most recently
26 calculated by the Department, shall determine the proportional

1 shares of the Illinois Tax Increment Fund to be distributed to
2 each municipality.

3 (x) "LEED certified" means any certification level of
4 construction elements by a qualified Leadership in Energy and
5 Environmental Design Accredited Professional as determined by
6 the U.S. Green Building Council.

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

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

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

23 (a) For any redevelopment project area that has been
24 designated pursuant to this Section by an ordinance adopted
25 prior to November 1, 1999 (the effective date of Public Act

1 91-478), "blighted area" shall have the meaning set forth in
2 this Section prior to that date.

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

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

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

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

26 (C) Deterioration. With respect to buildings,

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

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

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

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

25 (G) Lack of ventilation, light, or sanitary
26 facilities. The absence of adequate ventilation for

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

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

22 (I) Excessive land coverage and overcrowding of
23 structures and community facilities. The
24 over-intensive use of property and the crowding of
25 buildings and accessory facilities onto a site.
26 Examples of problem conditions warranting the

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

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

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

1 hazardous waste, hazardous substances, or underground
2 storage tanks required by State or federal law,
3 provided that the remediation costs constitute a
4 material impediment to the development or
5 redevelopment of the redevelopment project area.

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

19 (M) The total equalized assessed value of the
20 proposed redevelopment project area has declined for 3
21 of the last 5 calendar years prior to the year in which
22 the redevelopment project area is designated or is
23 increasing at an annual rate that is less than the
24 balance of the municipality for 3 of the last 5
25 calendar years for which information is available or is
26 increasing at an annual rate that is less than the

1 Consumer Price Index for All Urban Consumers published
2 by the United States Department of Labor or successor
3 agency for 3 of the last 5 calendar years prior to the
4 year in which the redevelopment project area is
5 designated.

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

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

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

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

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

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

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

1 by the United States Department of Labor or successor
2 agency for 3 of the last 5 calendar years prior to the
3 year in which the redevelopment project area is
4 designated.

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

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

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

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

26 (D) The area consists of an unused or illegal

1 disposal site containing earth, stone, building
2 debris, or similar materials that were removed from
3 construction, demolition, excavation, or dredge sites.

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

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

19 (b) For any redevelopment project area that has been
20 designated pursuant to this Section by an ordinance adopted
21 prior to November 1, 1999 (the effective date of Public Act
22 91-478), "conservation area" shall have the meaning set forth
23 in this Section prior to that date.

24 On and after November 1, 1999, "conservation area" means
25 any improved area within the boundaries of a redevelopment
26 project area located within the territorial limits of the

1 municipality in which 50% or more of the structures in the area
2 have an age of 35 years or more. Such an area is not yet a
3 blighted area but because of a combination of 3 or more of the
4 following factors is detrimental to the public safety, health,
5 morals or welfare and such an area may become a blighted area:

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

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

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

26 (4) Presence of structures below minimum code

1 standards. All structures that do not meet the standards of
2 zoning, subdivision, building, fire, and other
3 governmental codes applicable to property, but not
4 including housing and property maintenance codes.

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

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

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

26 (8) Inadequate utilities. Underground and overhead

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

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

26 (10) Deleterious land use or layout. The existence of

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

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

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

1 area.

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

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

21 (d) "Industrial park conservation area" means an area
22 within the boundaries of a redevelopment project area located
23 within the territorial limits of a municipality that is a labor
24 surplus municipality or within 1 1/2 miles of the territorial
25 limits of a municipality that is a labor surplus municipality
26 if the area is annexed to the municipality; which area is zoned

1 as industrial no later than at the time the municipality by
2 ordinance designates the redevelopment project area, and which
3 area includes both vacant land suitable for use as an
4 industrial park and a blighted area or conservation area
5 contiguous to such vacant land.

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

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

24 (g) "Initial Sales Tax Amounts" means the amount of taxes
25 paid under the Retailers' Occupation Tax Act, Use Tax Act,
26 Service Use Tax Act, the Service Occupation Tax Act, the

1 Municipal Retailers' Occupation Tax Act, and the Municipal
2 Service Occupation Tax Act by retailers and servicemen on
3 transactions at places located in a State Sales Tax Boundary
4 during the calendar year 1985.

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

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

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

1 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
2 Tax Amounts as appropriate. For the State Fiscal Year 1991,
3 this calculation shall be made by utilizing the period from
4 October 1, 1988, to June 30, 1989, to determine the tax amounts
5 received from retailers and servicemen pursuant to the
6 Municipal Retailers' Occupation Tax and the Municipal Service
7 Occupation Tax Act which shall have deducted therefrom
8 nine-twelfths of the certified Initial Sales Tax Amounts,
9 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
10 Tax Amounts as appropriate. For every State Fiscal Year
11 thereafter, the applicable period shall be the 12 months
12 beginning July 1 and ending June 30 to determine the tax
13 amounts received which shall have deducted therefrom the
14 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
15 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
16 case may be.

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

1 January 1, 1986, and the municipality entered into a contract
2 or issued bonds after January 1, 1986, but before December 31,
3 1986, to finance redevelopment project costs within a State
4 Sales Tax Boundary, then the Net State Sales Tax Increment
5 means, for the fiscal years beginning July 1, 1990, and July 1,
6 1991, 100% of the State Sales Tax Increment annually generated
7 within a State Sales Tax Boundary; and notwithstanding any
8 other provision of this Act, for those fiscal years the
9 Department of Revenue shall distribute to those municipalities
10 100% of their Net State Sales Tax Increment before any
11 distribution to any other municipality and regardless of
12 whether or not those other municipalities will receive 100% of
13 their Net State Sales Tax Increment. For Fiscal Year 1999, and
14 every year thereafter until the year 2007, for any municipality
15 that has not entered into a contract or has not issued bonds
16 prior to June 1, 1988 to finance redevelopment project costs
17 within a State Sales Tax Boundary, the Net State Sales Tax
18 Increment shall be calculated as follows: By multiplying the
19 Net State Sales Tax Increment by 90% in the State Fiscal Year
20 1999; 80% in the State Fiscal Year 2000; 70% in the State
21 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
22 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%
23 in the State Fiscal Year 2005; 20% in the State Fiscal Year
24 2006; and 10% in the State Fiscal Year 2007. No payment shall
25 be made for State Fiscal Year 2008 and thereafter.

26 Municipalities that issued bonds in connection with a

1 redevelopment project in a redevelopment project area within
2 the State Sales Tax Boundary prior to July 29, 1991, or that
3 entered into contracts in connection with a redevelopment
4 project in a redevelopment project area before June 1, 1988,
5 shall continue to receive their proportional share of the
6 Illinois Tax Increment Fund distribution until the date on
7 which the redevelopment project is completed or terminated. If,
8 however, a municipality that issued bonds in connection with a
9 redevelopment project in a redevelopment project area within
10 the State Sales Tax Boundary prior to July 29, 1991 retires the
11 bonds prior to June 30, 2007 or a municipality that entered
12 into contracts in connection with a redevelopment project in a
13 redevelopment project area before June 1, 1988 completes the
14 contracts prior to June 30, 2007, then so long as the
15 redevelopment project is not completed or is not terminated,
16 the Net State Sales Tax Increment shall be calculated,
17 beginning on the date on which the bonds are retired or the
18 contracts are completed, as follows: By multiplying the Net
19 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
20 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
21 2004; 30% in the State Fiscal Year 2005; 20% in the State
22 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
23 payment shall be made for State Fiscal Year 2008 and
24 thereafter. Refunding of any bonds issued prior to July 29,
25 1991, shall not alter the Net State Sales Tax Increment.

26 (j) "State Utility Tax Increment Amount" means an amount

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

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

1 in the State Fiscal Year 2001; 60% in the State Fiscal Year
2 2002; 50% in the State Fiscal Year 2003; 40% in the State
3 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the
4 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.
5 No payment shall be made for the State Fiscal Year 2008 and
6 thereafter.

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

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

24 (m) "Payment in lieu of taxes" means those estimated tax
25 revenues from real property in a redevelopment project area
26 derived from real property that has been acquired by a

1 municipality which according to the redevelopment project or
2 plan is to be used for a private use which taxing districts
3 would have received had a municipality not acquired the real
4 property and adopted tax increment allocation financing and
5 which would result from levies made after the time of the
6 adoption of tax increment allocation financing to the time the
7 current equalized value of real property in the redevelopment
8 project area exceeds the total initial equalized value of real
9 property in said area.

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

1 camping and hunting. Each redevelopment plan shall set forth in
2 writing the program to be undertaken to accomplish the
3 objectives and shall include but not be limited to:

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

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

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

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

15 (E) the nature and term of the obligations to be
16 issued;

17 (F) the most recent equalized assessed valuation of the
18 redevelopment project area;

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

22 (H) a commitment to fair employment practices and an
23 affirmative action plan;

24 (I) if it concerns an industrial park conservation
25 area, the plan shall also include a general description of
26 any proposed developer, user and tenant of any property, a

1 description of the type, structure and general character of
2 the facilities to be developed, a description of the type,
3 class and number of new employees to be employed in the
4 operation of the facilities to be developed; and

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

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

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

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

1 conforms to the strategic economic development or
2 redevelopment plan issued by the designated planning
3 authority of the municipality, or (ii) includes land uses
4 that have been approved by the planning commission of the
5 municipality.

6 (3) The redevelopment plan establishes the estimated
7 dates of completion of the redevelopment project and
8 retirement of obligations issued to finance redevelopment
9 project costs. Those dates may not be later than the dates
10 set forth under Section 11-74.4-3.5., ~~or (DDD) (EEE), or~~
11 ~~(FFF), or (GGG), or (HHH), or (III), or (JJJ), (KKK), (LLL)~~
12 ~~(MMM), or (NNN) if the ordinance was adopted on December~~
13 ~~23, 1986 by the Village of Libertyville. (NNN) if the~~
14 ~~ordinance was adopted on December 22, 1986 by the Village~~
15 ~~of Hoffman Estates.~~

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

24 (3.5) The municipality finds, in the case of an
25 industrial park conservation area, also that the
26 municipality is a labor surplus municipality and that the

1 implementation of the redevelopment plan will reduce
2 unemployment, create new jobs and by the provision of new
3 facilities enhance the tax base of the taxing districts
4 that extend into the redevelopment project area.

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

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

26 Part I of the housing impact study shall include (i)

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

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

26 (6) On and after November 1, 1999, the housing impact

1 study required by paragraph (5) shall be incorporated in
2 the redevelopment plan for the redevelopment project area.

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

24 (8) On and after November 1, 1999, if, after the
25 adoption of the redevelopment plan for the redevelopment
26 project area, any municipality desires to amend its

1 redevelopment plan to remove more inhabited residential
2 units than specified in its original redevelopment plan,
3 that change shall be made in accordance with the procedures
4 in subsection (c) of Section 11-74.4-5.

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

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

1 activities or for nature preserves and used for that purpose
2 within 5 years prior to the adoption of the redevelopment plan.
3 For the purpose of this subsection, "recreational activities"
4 is limited to mean camping and hunting.

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

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

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

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

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

25 (1.6) The cost of marketing sites within the
26 redevelopment project area to prospective businesses,

1 developers, and investors;

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

10 (3) Costs of rehabilitation, reconstruction or repair
11 or remodeling of existing public or private buildings,
12 fixtures, and leasehold improvements; and the cost of
13 replacing an existing public building if pursuant to the
14 implementation of a redevelopment project the existing
15 public building is to be demolished to use the site for
16 private investment or devoted to a different use requiring
17 private investment; including any direct or indirect costs
18 relating to LEED certified construction elements;

19 (4) Costs of the construction of public works or
20 improvements, including any direct or indirect costs
21 relating to LEED certified construction elements, except
22 that on and after November 1, 1999, redevelopment project
23 costs shall not include the cost of constructing a new
24 municipal public building principally used to provide
25 offices, storage space, or conference facilities or
26 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 (x) "LEED certified" means any certification level of
15 construction elements by a qualified Leadership in Energy and
16 Environmental Design Accredited Professional as determined by
17 the U.S. Green Building Council.

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

1 8-21-08; 95-932, eff. 8-26-08; 95-934, eff. 8-26-08; 95-964,
2 eff. 9-23-08; 95-977, eff. 9-22-08; 95-1028, eff. 1-1-10;
3 revised 1-27-09.)

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