



Rep. John E. Bradley

Filed: 5/26/2011

09700SB0540ham002

LRB097 04293 KMW 56338 a

1 AMENDMENT TO SENATE BILL 540

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 540 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Comptroller Act is amended by adding  
5 Section 30 as follows:

6 (15 ILCS 405/30 new)

7 Sec. 30. Tax Increment Finance administrator training. The  
8 Comptroller, in consultation with the State Comptroller Local  
9 Government Advisory Board, shall establish and cause to be  
10 conducted a training program for Tax Increment Finance  
11 administrators. The Comptroller shall establish a curriculum,  
12 which must include, but is not limited to, State reporting  
13 requirements, State law and regulation concerning the use of  
14 prevailing wage in redevelopment project areas, and eligible  
15 redevelopment project costs. In the case of any administrator  
16 who fails to satisfactorily complete the training program, the

1 Comptroller shall so notify the municipal clerk or other  
2 elected official in the municipality in which that  
3 administrator is employed who shall notify the corporate  
4 authorities of the municipality within 30 days.

5 Section 10. The Property Tax Code is amended by changing  
6 Section 20-15 as follows:

7 (35 ILCS 200/20-15)

8 Sec. 20-15. Information on bill or separate statement.  
9 There shall be printed on each bill, or on a separate slip  
10 which shall be mailed with the bill:

11 (a) a statement itemizing the rate at which taxes have  
12 been extended for each of the taxing districts in the  
13 county in whose district the property is located, and in  
14 those counties utilizing electronic data processing  
15 equipment the dollar amount of tax due from the person  
16 assessed allocable to each of those taxing districts,  
17 including a separate statement of the dollar amount of tax  
18 due which is allocable to a tax levied under the Illinois  
19 Local Library Act or to any other tax levied by a  
20 municipality or township for public library purposes,

21 (b) a separate statement for each of the taxing  
22 districts of the dollar amount of tax due which is  
23 allocable to a tax levied under the Illinois Pension Code  
24 or to any other tax levied by a municipality or township

1 for public pension or retirement purposes,

2 (c) the total tax rate,

3 (d) the total amount of tax due, ~~and~~

4 (e) the amount by which the total tax and the tax  
5 allocable to each taxing district differs from the  
6 taxpayer's last prior tax bill, ~~and~~

7 (f) the name and identification number of the  
8 redevelopment project area where the property is located,  
9 if applicable, and

10 (g) a State Internet website address where taxpayers  
11 can access information about tax increment financing and  
12 redevelopment project areas.

13 The county treasurer shall ensure that only those taxing  
14 districts in which a parcel of property is located shall be  
15 listed on the bill for that property.

16 In all counties the statement shall also provide:

17 (1) the property index number or other suitable  
18 description,

19 (2) the assessment of the property,

20 (3) the equalization factors imposed by the county and  
21 by the Department, and

22 (4) the equalized assessment resulting from the  
23 application of the equalization factors to the basic  
24 assessment.

25 In all counties which do not classify property for purposes  
26 of taxation, for property on which a single family residence is

1 situated the statement shall also include a statement to  
2 reflect the fair cash value determined for the property. In all  
3 counties which classify property for purposes of taxation in  
4 accordance with Section 4 of Article IX of the Illinois  
5 Constitution, for parcels of residential property in the lowest  
6 assessment classification the statement shall also include a  
7 statement to reflect the fair cash value determined for the  
8 property.

9 In all counties, the statement must include information  
10 that certain taxpayers may be eligible for tax exemptions,  
11 abatements, and other assistance programs and that, for more  
12 information, taxpayers should consult with the office of their  
13 township or county assessor and with the Illinois Department of  
14 Revenue.

15 In all counties, the statement shall include information  
16 that certain taxpayers may be eligible for the Senior Citizens  
17 and Disabled Persons Property Tax Relief and Pharmaceutical  
18 Assistance Act and that applications are available from the  
19 Illinois Department on Aging.

20 In counties which use the estimated or accelerated billing  
21 methods, these statements shall only be provided with the final  
22 installment of taxes due. The provisions of this Section create  
23 a mandatory statutory duty. They are not merely directory or  
24 discretionary. The failure or neglect of the collector to mail  
25 the bill, or the failure of the taxpayer to receive the bill,  
26 shall not affect the validity of any tax, or the liability for

1 the payment of any tax.

2 (Source: P.A. 95-644, eff. 10-12-07.)

3 Section 15. The Illinois Municipal Code is amended by  
4 changing Sections 8-8-3, 8-8-3.5, 11-74.4-3, 11-74.4-3.5,  
5 11-74.4-4, 11-74.4-5, 11-74.6-15, and 11-74.6-22 as follows:

6 (65 ILCS 5/8-8-3) (from Ch. 24, par. 8-8-3)

7 Sec. 8-8-3. Audit requirements.

8 (a) The corporate authorities of each municipality coming  
9 under the provisions of this Division 8 shall cause an audit of  
10 the funds and accounts of the municipality to be made by an  
11 accountant or accountants employed by such municipality or by  
12 an accountant or accountants retained by the Comptroller, as  
13 hereinafter provided.

14 (b) The accounts and funds of each municipality having a  
15 population of 800 or more or having a bonded debt or owning or  
16 operating any type of public utility shall be audited annually.  
17 The audit herein required shall include all of the accounts and  
18 funds of the municipality. Such audit shall be begun as soon as  
19 possible after the close of the fiscal year, and shall be  
20 completed and the report submitted within 6 months after the  
21 close of such fiscal year, unless an extension of time shall be  
22 granted by the Comptroller in writing. The accountant or  
23 accountants making the audit shall submit not less than 2  
24 copies of the audit report to the corporate authorities of the

1 municipality being audited. Municipalities not operating  
2 utilities may cause audits of the accounts of municipalities to  
3 be made more often than herein provided, by an accountant or  
4 accountants. The audit report of such audit when filed with the  
5 Comptroller together with an audit report covering the  
6 remainder of the period for which an audit is required to be  
7 filed hereunder shall satisfy the requirements of this section.

8 (c) Municipalities of less than 800 population which do not  
9 own or operate public utilities and do not have bonded debt,  
10 shall file annually with the Comptroller a financial report  
11 containing information required by the Comptroller. Such  
12 annual financial report shall be on forms devised by the  
13 Comptroller in such manner as to not require professional  
14 accounting services for its preparation.

15 (d) In addition to any audit report required, all  
16 municipalities, except municipalities of less than 800  
17 population which do not own or operate public utilities and do  
18 not have bonded debt, shall file annually with the Comptroller  
19 a supplemental report on forms devised and approved by the  
20 Comptroller.

21 (e) Notwithstanding any provision of law to the contrary,  
22 if a municipality (i) has a population of less than 200, (ii)  
23 has bonded debt in the amount of \$50,000 or less, and (iii)  
24 owns or operates a public utility, then the municipality shall  
25 cause an audit of the funds and accounts of the municipality to  
26 be made by an accountant employed by the municipality or

1 retained by the Comptroller for fiscal year 2011 and every  
2 fourth fiscal year thereafter or until the municipality has a  
3 population of 200 or more, has bonded debt in excess of  
4 \$50,000, or no longer owns or operates a public utility.  
5 Nothing in this subsection shall be construed as limiting the  
6 municipality's duty to file an annual financial report with the  
7 Comptroller or to comply with the filing requirements  
8 concerning the county clerk.

9 (f) On and after July 1, 2011, the State Comptroller must  
10 post on the State Comptroller's official website the  
11 information submitted by a municipality pursuant to  
12 subsections (b) and (c) of this Section. The information must  
13 be posted no later than 45 days after the State Comptroller  
14 receives the information from the municipality. The State  
15 Comptroller must also post a list of municipalities that are  
16 not in compliance with the reporting requirements set forth in  
17 subsections (b) and (c) of this Section.

18 (g) The State Comptroller has the authority to grant  
19 extensions for delinquent audit reports. The Comptroller may  
20 charge a municipality a fee for a delinquent audit of \$5 per  
21 day for the first 15 days past due, \$10 per day for 16 through  
22 30 days past due, \$15 per day for 31 through 45 days past due,  
23 and \$20 per day for the 46th day and every day thereafter. All  
24 fees collected pursuant to this subsection (g) shall be  
25 deposited into the Comptroller's Administrative Fund.

26 (Source: P.A. 96-1309, eff. 7-27-10.)

1 (65 ILCS 5/8-8-3.5)

2 Sec. 8-8-3.5. Tax Increment Financing Report. The reports  
3 filed under subsection (d) of Section 11-74.4-5 of the Tax  
4 Increment Allocation Redevelopment Act and the reports filed  
5 under subsection (d) of Section 11-74.6-22 of the Industrial  
6 Jobs Recovery Law in the Illinois Municipal Code must be  
7 separate from any other annual report filed with the  
8 Comptroller. The Comptroller must, in cooperation with  
9 reporting municipalities, create a format for the reporting of  
10 information described in paragraphs (1.5) and (5) and in  
11 subparagraph (G) of paragraph (7) of subsection (d) of Section  
12 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and  
13 the information described in paragraphs (1.5) and (5) and in  
14 subparagraph (G) of paragraph (7) of subsection (d) of Section  
15 11-74.6-22 of the Industrial Jobs Recovery Law that facilitates  
16 consistent reporting among the reporting municipalities. The  
17 Comptroller may allow these reports to be filed electronically  
18 and may display the report, or portions of the report,  
19 electronically via the Internet. All reports filed under this  
20 Section must be made available for examination and copying by  
21 the public at all reasonable times. A Tax Increment Financing  
22 Report must be filed with the Comptroller within 180 days after  
23 the close of the municipal fiscal year or as soon thereafter as  
24 the audit for the redevelopment project area for that fiscal  
25 year becomes available. If the Tax Increment Finance



1 administrator provides the Comptroller's office with  
2 sufficient evidence that the report is in the process of being  
3 completed by an auditor, the Comptroller may grant an  
4 extension. If the required report is not filed within the time  
5 extended by the Comptroller, the Comptroller may charge a  
6 municipality a fee of \$5 per day for the first 15 days past  
7 due, \$10 per day for 16 through 30 days past due, \$15 per day  
8 for 31 through 45 days past due, and \$20 per day for the 46th  
9 day and every day thereafter. All fees collected pursuant to  
10 this Section shall be deposited into the Comptroller's  
11 Administrative Fund.

12 (Source: P.A. 91-478, eff. 11-1-99; 91-900, eff. 7-6-00.)

13 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

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

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

23 On and after November 1, 1999, "blighted area" means any  
24 improved or vacant area within the boundaries of a  
25 redevelopment project area located within the territorial

1 limits of the municipality where:

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

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

18 (B) Obsolescence. The condition or process of  
19 falling into disuse. Structures have become ill-suited  
20 for the original use.

21 (C) Deterioration. With respect to buildings,  
22 defects including, but not limited to, major defects in  
23 the secondary building components such as doors,  
24 windows, porches, gutters and downspouts, and fascia.  
25 With respect to surface improvements, that the  
26 condition of roadways, alleys, curbs, gutters,

1 sidewalks, off-street parking, and surface storage  
2 areas evidence deterioration, including, but not  
3 limited to, surface cracking, crumbling, potholes,  
4 depressions, loose paving material, and weeds  
5 protruding through paved surfaces.

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

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

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

20 (G) Lack of ventilation, light, or sanitary  
21 facilities. The absence of adequate ventilation for  
22 light or air circulation in spaces or rooms without  
23 windows, or that require the removal of dust, odor,  
24 gas, smoke, or other noxious airborne materials.  
25 Inadequate natural light and ventilation means the  
26 absence of skylights or windows for interior spaces or

1 rooms and improper window sizes and amounts by room  
2 area to window area ratios. Inadequate sanitary  
3 facilities refers to the absence or inadequacy of  
4 garbage storage and enclosure, bathroom facilities,  
5 hot water and kitchens, and structural inadequacies  
6 preventing ingress and egress to and from all rooms and  
7 units within a building.

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

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

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

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

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

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

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

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

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

19           (B) Diversity of ownership of parcels of vacant  
20 land sufficient in number to retard or impede the  
21 ability to assemble the land for development.

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

25           (D) Deterioration of structures or site  
26 improvements in neighboring areas adjacent to the

1           vacant land.

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

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

26          (3) If vacant, the sound growth of the redevelopment



1 project area is impaired by one of the following factors  
2 that (i) is 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) is reasonably distributed throughout  
6 the vacant part of the redevelopment project area to which  
7 it pertains:

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

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

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

21 (D) The area consists of an unused or illegal  
22 disposal site containing earth, stone, building  
23 debris, or similar materials that were removed from  
24 construction, demolition, excavation, or dredge sites.

25 (E) Prior to November 1, 1999, the area is not less  
26 than 50 nor more than 100 acres and 75% of which is

1           vacant (notwithstanding that the area has been used for  
2           commercial agricultural purposes within 5 years prior  
3           to the designation of the redevelopment project area),  
4           and the area meets at least one of the factors itemized  
5           in paragraph (1) of this subsection, the area has been  
6           designated as a town or village center by ordinance or  
7           comprehensive plan adopted prior to January 1, 1982,  
8           and the area has not been developed for that designated  
9           purpose.

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

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

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

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

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

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

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

26           (5) Illegal use of individual structures. The use of

1 structures in violation of applicable federal, State, or  
2 local laws, exclusive of those applicable to the presence  
3 of structures below minimum code standards.

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

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

21 (8) Inadequate utilities. Underground and overhead  
22 utilities such as storm sewers and storm drainage, sanitary  
23 sewers, water lines, and gas, telephone, and electrical  
24 services that are shown to be inadequate. Inadequate  
25 utilities are those that are: (i) of insufficient capacity  
26 to serve the uses in the redevelopment project area, (ii)

1       deteriorated, antiquated, obsolete, or in disrepair, or  
2       (iii) lacking within the redevelopment project area.

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

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

26      (11) Lack of community planning. The proposed

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

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

23 (13) The total equalized assessed value of the proposed  
24 redevelopment project area has declined 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 balance

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

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

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

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

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

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

26          (g-1) "Revised Initial Sales Tax Amounts" means the amount



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

7 (h) "Municipal Sales Tax Increment" means an amount equal  
8 to the increase in the aggregate amount of taxes paid to a  
9 municipality from the Local Government Tax Fund arising from  
10 sales by retailers and servicemen within the redevelopment  
11 project area or State Sales Tax Boundary, as the case may be,  
12 for as long as the redevelopment project area or State Sales  
13 Tax Boundary, as the case may be, exist over and above the  
14 aggregate amount of taxes as certified by the Illinois  
15 Department of Revenue and paid under the Municipal Retailers'  
16 Occupation Tax Act and the Municipal Service Occupation Tax Act  
17 by retailers and servicemen, on transactions at places of  
18 business located in the redevelopment project area or State  
19 Sales Tax Boundary, as the case may be, during the base year  
20 which shall be the calendar year immediately prior to the year  
21 in which the municipality adopted tax increment allocation  
22 financing. For purposes of computing the aggregate amount of  
23 such taxes for base years occurring prior to 1985, the  
24 Department of Revenue shall determine the Initial Sales Tax  
25 Amounts for such taxes and deduct therefrom an amount equal to  
26 4% of the aggregate amount of taxes per year for each year the

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

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

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

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

21 Municipalities that issued bonds in connection with a  
22 redevelopment project in a redevelopment project area within  
23 the State Sales Tax Boundary prior to July 29, 1991, or that  
24 entered into contracts in connection with a redevelopment  
25 project in a redevelopment project area before June 1, 1988,  
26 shall continue to receive their proportional share of the

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

21 (j) "State Utility Tax Increment Amount" means an amount  
22 equal to the aggregate increase in State electric and gas tax  
23 charges imposed on owners and tenants, other than residential  
24 customers, of properties located within the redevelopment  
25 project area under Section 9-222 of the Public Utilities Act,  
26 over and above the aggregate of such charges as certified by

1 the Department of Revenue and paid by owners and tenants, other  
2 than residential customers, of properties within the  
3 redevelopment project area during the base year, which shall be  
4 the calendar year immediately prior to the year of the adoption  
5 of the ordinance authorizing tax increment allocation  
6 financing.

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

1       thereafter.

2           Municipalities that issue bonds in connection with the  
3       redevelopment project during the period from June 1, 1988 until  
4       3 years after the effective date of this Amendatory Act of 1988  
5       shall receive the Net State Utility Tax Increment, subject to  
6       appropriation, for 15 State Fiscal Years after the issuance of  
7       such bonds. For the 16th through the 20th State Fiscal Years  
8       after issuance of the bonds, the Net State Utility Tax  
9       Increment shall be calculated as follows: By multiplying the  
10      Net State Utility Tax Increment by 90% in year 16; 80% in year  
11      17; 70% in year 18; 60% in year 19; and 50% in year 20.  
12      Refunding of any bonds issued prior to June 1, 1988, shall not  
13      alter the revised Net State Utility Tax Increment payments set  
14      forth above.

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

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

1 adoption of tax increment allocation financing to the time the  
2 current equalized value of real property in the redevelopment  
3 project area exceeds the total initial equalized value of real  
4 property in said area.

5 (n) "Redevelopment plan" means the comprehensive program  
6 of the municipality for development or redevelopment intended  
7 by the payment of redevelopment project costs to reduce or  
8 eliminate those conditions the existence of which qualified the  
9 redevelopment project area as a "blighted area" or  
10 "conservation area" or combination thereof or "industrial park  
11 conservation area," and thereby to enhance the tax bases of the  
12 taxing districts which extend into the redevelopment project  
13 area. On and after November 1, 1999 (the effective date of  
14 Public Act 91-478), no redevelopment plan may be approved or  
15 amended that includes the development of vacant land (i) with a  
16 golf course and related clubhouse and other facilities or (ii)  
17 designated by federal, State, county, or municipal government  
18 as public land for outdoor recreational activities or for  
19 nature preserves and used for that purpose within 5 years prior  
20 to the adoption of the redevelopment plan. For the purpose of  
21 this subsection, "recreational activities" is limited to mean  
22 camping and hunting. On and after the effective date of this  
23 amendatory Act of the 97th General Assembly, no redevelopment  
24 plan may be approved that allocates more than 25% of the  
25 estimated redevelopment project costs to residential  
26 developments, other than residential development projects that



1 include affordable housing for low-income and very low-income  
2 households, as those terms are defined by the Illinois  
3 Affordable Housing Act, and no redevelopment plan shall be  
4 amended to exceed that 25% limitation. Each redevelopment plan  
5 shall set forth in writing the program to be undertaken to  
6 accomplish the objectives and shall include but not be limited  
7 to:

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

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

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

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

19 (E) the nature and term of the obligations to be  
20 issued;

21 (F) the most recent equalized assessed valuation of the  
22 redevelopment project area;

23 (G) an estimate as to the equalized assessed valuation  
24 after redevelopment and the general land uses to apply in  
25 the redevelopment project area;

26 (H) a commitment to fair employment practices and an

1 affirmative action plan;

2 (I) if it concerns an industrial park conservation  
3 area, the plan shall also include a general description of  
4 any proposed developer, user and tenant of any property, a  
5 description of the type, structure and general character of  
6 the facilities to be developed, a description of the type,  
7 class and number of new employees to be employed in the  
8 operation of the facilities to be developed; and

9 (J) if property is to be annexed to the municipality,  
10 the plan shall include the terms of the annexation  
11 agreement.

12 The provisions of items (B) and (C) of this subsection (n)  
13 shall not apply to a municipality that before March 14, 1994  
14 (the effective date of Public Act 88-537) had fixed, either by  
15 its corporate authorities or by a commission designated under  
16 subsection (k) of Section 11-74.4-4, a time and place for a  
17 public hearing as required by subsection (a) of Section  
18 11-74.4-5. No redevelopment plan shall be adopted unless a  
19 municipality complies with all of the following requirements:

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

25 (2) The municipality finds that the redevelopment plan  
26 and project conform to the comprehensive plan for the

1 development of the municipality as a whole, or, for  
2 municipalities with a population of 100,000 or more,  
3 regardless of when the redevelopment plan and project was  
4 adopted, the redevelopment plan and project either: (i)  
5 conforms to the strategic economic development or  
6 redevelopment plan issued by the designated planning  
7 authority of the municipality, or (ii) includes land uses  
8 that have been approved by the planning commission of the  
9 municipality.

10 (3) The redevelopment plan establishes the estimated  
11 dates of completion of the redevelopment project and  
12 retirement of obligations issued to finance redevelopment  
13 project costs. Those dates may not be later than the dates  
14 set forth under Section 11-74.4-3.5.

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

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

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

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

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

25 Part I of the housing impact study shall include (i)  
26 data as to whether the residential units are single family

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

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

25 (6) On and after November 1, 1999, the housing impact  
26 study required by paragraph (5) shall be incorporated in

1 the redevelopment plan for the redevelopment project area.

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

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

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

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

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

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

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

11 (p-1) Notwithstanding any provision of this Act to the  
12 contrary, on and after August 25, 2009 (the effective date of  
13 Public Act 96-680), a redevelopment project area may include  
14 areas within a one-half mile radius of an existing or proposed  
15 Regional Transportation Authority Suburban Transit Access  
16 Route (STAR Line) station without a finding that the area is  
17 classified as an industrial park conservation area, a blighted  
18 area, a conservation area, or a combination thereof, but only  
19 if the municipality receives unanimous consent from the joint  
20 review board created to review the proposed redevelopment  
21 project area.

22 (q) "Redevelopment project costs", except for  
23 redevelopment project areas created pursuant to subsection  
24 (p-1), means and includes the sum total of all reasonable or  
25 necessary costs incurred or estimated to be incurred, and any  
26 such costs incidental to a redevelopment plan and a



1 redevelopment project. Such costs include, without limitation,  
2 the following:

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

1 consultant or advisor before the commencement of services  
2 for the municipality and thereafter whenever any other  
3 contracts with those individuals or entities are executed  
4 by the consultant or advisor;

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

11 (1.6) The cost of marketing sites within the  
12 redevelopment project area to prospective businesses,  
13 developers, and investors;

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

22 (3) Costs of rehabilitation, reconstruction or repair  
23 or remodeling of existing public or private buildings,  
24 fixtures, and leasehold improvements; and the cost of  
25 replacing an existing public building if pursuant to the  
26 implementation of a redevelopment project the existing

1 public building is to be demolished to use the site for  
2 private investment or devoted to a different use requiring  
3 private investment; including any direct or indirect costs  
4 relating to Green Globes or LEED certified construction  
5 elements or construction elements with an equivalent  
6 certification;

7 (4) Costs of the construction of public works or  
8 improvements, including any direct or indirect costs  
9 relating to Green Globes or LEED certified construction  
10 elements or construction elements with an equivalent  
11 certification, except that on and after November 1, 1999,  
12 redevelopment project costs shall not include the cost of  
13 constructing a new municipal public building principally  
14 used to provide offices, storage space, or conference  
15 facilities or 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), unless no

1 prudent and feasible alternative exists. "Historic  
2 resource" for the purpose of this item (14) means (i) a  
3 place or structure that is included or eligible for  
4 inclusion on the National Register of Historic Places or  
5 (ii) a contributing structure in a district on the National  
6 Register of Historic Places. This item (14) does not apply  
7 to a place or structure for which demolition, removal, or  
8 modification is subject to review by the preservation  
9 agency of a Certified Local Government designated as such  
10 by the National Park Service of the United States  
11 Department of the Interior.

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

19 (q-1) For redevelopment project areas created pursuant to  
20 subsection (p-1), redevelopment project costs are limited to  
21 those costs in paragraph (q) that are related to the existing  
22 or proposed Regional Transportation Authority Suburban Transit  
23 Access Route (STAR Line) station.

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

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

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

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

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

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

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

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

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

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

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

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

11 (y) "Green Globes certified" means any certification level  
12 of construction elements by a qualified Green Globes  
13 Professional as determined by the Green Building Initiative.

14 (Source: P.A. 95-15, eff. 7-16-07; 95-164, eff. 1-1-08; 95-331,  
15 eff. 8-21-07; 95-346, eff. 8-21-07; 95-459, eff. 8-27-07;  
16 95-653, eff. 1-1-08; 95-662, eff. 10-11-07; 95-683, eff.  
17 10-19-07; 95-709, eff. 1-29-08; 95-876, eff. 8-21-08; 95-932,  
18 eff. 8-26-08; 95-934, eff. 8-26-08; 95-964, eff. 9-23-08;  
19 95-977, eff. 9-22-08; 95-1028, eff. 8-25-09 (see Section 5 of  
20 P.A. 96-717 for the effective date of changes made by P.A.  
21 95-1028); 96-328, eff. 8-11-09; 96-630, eff. 1-1-10; 96-680,  
22 eff. 8-25-09; 96-1000, eff. 7-2-10.)

23 (65 ILCS 5/11-74.4-3.5)

24 Sec. 11-74.4-3.5. Completion dates for redevelopment  
25 projects.

1 (a) Unless otherwise stated in this Section, the estimated  
2 dates of completion of the redevelopment project and retirement  
3 of obligations issued to finance redevelopment project costs  
4 (including refunding bonds under Section 11-74.4-7) may not be  
5 later than December 31 of the year in which the payment to the  
6 municipal treasurer, as provided in subsection (b) of Section  
7 11-74.4-8 of this Act, is to be made with respect to ad valorem  
8 taxes levied in the 23rd calendar year after the year in which  
9 the ordinance approving the redevelopment project area was  
10 adopted if the ordinance was adopted on or after January 15,  
11 1981.

12 (a-5) On and after the effective date of this amendatory  
13 Act of the 97th General Assembly, the estimated date of  
14 completion of a redevelopment project and retirement of  
15 obligations issued to finance redevelopment project costs,  
16 including, but not limited to, refunding bonds under Section  
17 11-74.4-7, shall be no later than December 31 of the year in  
18 which the payment to the municipal treasurer, as provided in  
19 subsection (b) of Section 11-74.4-8, is to be made with respect  
20 to ad valorem taxes levied in the 23rd calendar year after the  
21 year in which the ordinance approving the redevelopment project  
22 area was adopted unless all taxing districts serving on the  
23 joint review board send documentation supporting a later  
24 estimated date of completion to the State Comptroller and the  
25 extension of the later estimated date of completion date is  
26 authorized by a subsequent amendment to this Code. The State



1 Comptroller must post this documentation on the State  
2 Comptroller's official website. This information must be  
3 posted no later than 45 days after the State Comptroller  
4 receives the information from the taxing districts.

5 (b) The estimated dates of completion of the redevelopment  
6 project and retirement of obligations issued to finance  
7 redevelopment project costs (including refunding bonds under  
8 Section 11-74.4-7) may not be later than December 31 of the  
9 year in which the payment to the municipal treasurer as  
10 provided in subsection (b) of Section 11-74.4-8 of this Act is  
11 to be made with respect to ad valorem taxes levied in the 32nd  
12 calendar year after the year in which the ordinance approving  
13 the redevelopment project area was adopted, if the ordinance  
14 was adopted on September 9, 1999 by the Village of Downs.

15 The estimated dates of completion of the redevelopment  
16 project and retirement of obligations issued to finance  
17 redevelopment project costs (including refunding bonds under  
18 Section 11-74.4-7) may not be later than December 31 of the  
19 year in which the payment to the municipal treasurer as  
20 provided in subsection (b) of Section 11-74.4-8 of this Act is  
21 to be made with respect to ad valorem taxes levied in the 33rd  
22 calendar year after the year in which the ordinance approving  
23 the redevelopment project area was adopted, if the ordinance  
24 was adopted on May 20, 1985 by the Village of Wheeling.

25 The estimated dates of completion of the redevelopment  
26 project and retirement of obligations issued to finance

1 redevelopment project costs (including refunding bonds under  
2 Section 11-74.4-7) may not be later than December 31 of the  
3 year in which the payment to the municipal treasurer as  
4 provided in subsection (b) of Section 11-74.4-8 of this Act is  
5 to be made with respect to ad valorem taxes levied in the 28th  
6 calendar year after the year in which the ordinance approving  
7 the redevelopment project area was adopted, if the ordinance  
8 was adopted on October 12, 1989 by the City of Lawrenceville.

9 (c) The estimated dates of completion of the redevelopment  
10 project and retirement of obligations issued to finance  
11 redevelopment project costs (including refunding bonds under  
12 Section 11-74.4-7) may not be later than December 31 of the  
13 year in which the payment to the municipal treasurer as  
14 provided in subsection (b) of Section 11-74.4-8 of this Act is  
15 to be made with respect to ad valorem taxes levied in the 35th  
16 calendar year after the year in which the ordinance approving  
17 the redevelopment project area was adopted:

18 (1) if the ordinance was adopted before January 15,  
19 1981;

20 (2) if the ordinance was adopted in December 1983,  
21 April 1984, July 1985, or December 1989;

22 (3) if the ordinance was adopted in December 1987 and  
23 the redevelopment project is located within one mile of  
24 Midway Airport;

25 (4) if the ordinance was adopted before January 1, 1987  
26 by a municipality in Mason County;

1           (5) if the municipality is subject to the Local  
2           Government Financial Planning and Supervision Act or the  
3           Financially Distressed City Law;

4           (6) if the ordinance was adopted in December 1984 by  
5           the Village of Rosemont;

6           (7) if the ordinance was adopted on December 31, 1986  
7           by a municipality located in Clinton County for which at  
8           least \$250,000 of tax increment bonds were authorized on  
9           June 17, 1997, or if the ordinance was adopted on December  
10          31, 1986 by a municipality with a population in 1990 of  
11          less than 3,600 that is located in a county with a  
12          population in 1990 of less than 34,000 and for which at  
13          least \$250,000 of tax increment bonds were authorized on  
14          June 17, 1997;

15          (8) if the ordinance was adopted on October 5, 1982 by  
16          the City of Kankakee, or if the ordinance was adopted on  
17          December 29, 1986 by East St. Louis;

18          (9) if the ordinance was adopted on November 12, 1991  
19          by the Village of Sauget;

20          (10) if the ordinance was adopted on February 11, 1985  
21          by the City of Rock Island;

22          (11) if the ordinance was adopted before December 18,  
23          1986 by the City of Moline;

24          (12) if the ordinance was adopted in September 1988 by  
25          Sauk Village;

26          (13) if the ordinance was adopted in October 1993 by

1       Sauk Village;

2           (14) if the ordinance was adopted on December 29, 1986  
3       by the City of Galva;

4           (15) if the ordinance was adopted in March 1991 by the  
5       City of Centreville;

6           (16) if the ordinance was adopted on January 23, 1991  
7       by the City of East St. Louis;

8           (17) if the ordinance was adopted on December 22, 1986  
9       by the City of Aledo;

10          (18) if the ordinance was adopted on February 5, 1990  
11       by the City of Clinton;

12          (19) if the ordinance was adopted on September 6, 1994  
13       by the City of Freeport;

14          (20) if the ordinance was adopted on December 22, 1986  
15       by the City of Tuscola;

16          (21) if the ordinance was adopted on December 23, 1986  
17       by the City of Sparta;

18          (22) if the ordinance was adopted on December 23, 1986  
19       by the City of Beardstown;

20          (23) if the ordinance was adopted on April 27, 1981,  
21       October 21, 1985, or December 30, 1986 by the City of  
22       Belleville;

23          (24) if the ordinance was adopted on December 29, 1986  
24       by the City of Collinsville;

25          (25) if the ordinance was adopted on September 14, 1994  
26       by the City of Alton;

1           (26) if the ordinance was adopted on November 11, 1996  
2       by the City of Lexington;

3           (27) if the ordinance was adopted on November 5, 1984  
4       by the City of LeRoy;

5           (28) if the ordinance was adopted on April 3, 1991 or  
6       June 3, 1992 by the City of Markham;

7           (29) if the ordinance was adopted on November 11, 1986  
8       by the City of Pekin;

9           (30) if the ordinance was adopted on December 15, 1981  
10      by the City of Champaign;

11          (31) if the ordinance was adopted on December 15, 1986  
12      by the City of Urbana;

13          (32) if the ordinance was adopted on December 15, 1986  
14      by the Village of Heyworth;

15          (33) if the ordinance was adopted on February 24, 1992  
16      by the Village of Heyworth;

17          (34) if the ordinance was adopted on March 16, 1995 by  
18      the Village of Heyworth;

19          (35) if the ordinance was adopted on December 23, 1986  
20      by the Town of Cicero;

21          (36) if the ordinance was adopted on December 30, 1986  
22      by the City of Effingham;

23          (37) if the ordinance was adopted on May 9, 1991 by the  
24      Village of Tilton;

25          (38) if the ordinance was adopted on October 20, 1986  
26      by the City of Elmhurst;

1           (39) if the ordinance was adopted on January 19, 1988  
2       by the City of Waukegan;

3           (40) if the ordinance was adopted on September 21, 1998  
4       by the City of Waukegan;

5           (41) if the ordinance was adopted on December 31, 1986  
6       by the City of Sullivan;

7           (42) if the ordinance was adopted on December 23, 1991  
8       by the City of Sullivan;

9           (43) if the ordinance was adopted on December 31, 1986  
10      by the City of Oglesby;

11          (44) if the ordinance was adopted on July 28, 1987 by  
12      the City of Marion;

13          (45) if the ordinance was adopted on April 23, 1990 by  
14      the City of Marion;

15          (46) if the ordinance was adopted on August 20, 1985 by  
16      the Village of Mount Prospect;

17          (47) if the ordinance was adopted on February 2, 1998  
18      by the Village of Woodhull;

19          (48) if the ordinance was adopted on April 20, 1993 by  
20      the Village of Princeville;

21          (49) if the ordinance was adopted on July 1, 1986 by  
22      the City of Granite City;

23          (50) if the ordinance was adopted on February 2, 1989  
24      by the Village of Lombard;

25          (51) if the ordinance was adopted on December 29, 1986  
26      by the Village of Gardner;

1           (52) if the ordinance was adopted on July 14, 1999 by  
2           the Village of Paw Paw;

3           (53) if the ordinance was adopted on November 17, 1986  
4           by the Village of Franklin Park;

5           (54) if the ordinance was adopted on November 20, 1989  
6           by the Village of South Holland;

7           (55) if the ordinance was adopted on July 14, 1992 by  
8           the Village of Riverdale;

9           (56) if the ordinance was adopted on December 29, 1986  
10          by the City of Galesburg;

11          (57) if the ordinance was adopted on April 1, 1985 by  
12          the City of Galesburg;

13          (58) if the ordinance was adopted on May 21, 1990 by  
14          the City of West Chicago;

15          (59) if the ordinance was adopted on December 16, 1986  
16          by the City of Oak Forest;

17          (60) if the ordinance was adopted in 1999 by the City  
18          of Villa Grove;

19          (61) if the ordinance was adopted on January 13, 1987  
20          by the Village of Mt. Zion;

21          (62) if the ordinance was adopted on December 30, 1986  
22          by the Village of Manteno;

23          (63) if the ordinance was adopted on April 3, 1989 by  
24          the City of Chicago Heights;

25          (64) if the ordinance was adopted on January 6, 1999 by  
26          the Village of Rosemont;

1           (65) if the ordinance was adopted on December 19, 2000  
2       by the Village of Stone Park;

3           (66) if the ordinance was adopted on December 22, 1986  
4       by the City of DeKalb;

5           (67) if the ordinance was adopted on December 2, 1986  
6       by the City of Aurora;

7           (68) if the ordinance was adopted on December 31, 1986  
8       by the Village of Milan;

9           (69) if the ordinance was adopted on September 8, 1994  
10      by the City of West Frankfort;

11          (70) if the ordinance was adopted on December 23, 1986  
12      by the Village of Libertyville;

13          (71) if the ordinance was adopted on December 22, 1986  
14      by the Village of Hoffman Estates;

15          (72) if the ordinance was adopted on September 17, 1986  
16      by the Village of Sherman;

17          (73) if the ordinance was adopted on December 16, 1986  
18      by the City of Macomb;

19          (74) if the ordinance was adopted on June 11, 2002 by  
20      the City of East Peoria to create the West Washington  
21      Street TIF;

22          (75) if the ordinance was adopted on June 11, 2002 by  
23      the City of East Peoria to create the Camp Street TIF;

24          (76) if the ordinance was adopted on August 7, 2000 by  
25      the City of Des Plaines;

26          (77) if the ordinance was adopted on December 22, 1986



1 by the City of Washington to create the Washington Square  
2 TIF #2;

3 (78) if the ordinance was adopted on December 29, 1986  
4 by the City of Morris;

5 (79) if the ordinance was adopted on July 6, 1998 by  
6 the Village of Steeleville;

7 (80) if the ordinance was adopted on December 29, 1986  
8 by the City of Pontiac to create TIF I (the Main St TIF);

9 (81) if the ordinance was adopted on December 29, 1986  
10 by the City of Pontiac to create TIF II (the Interstate  
11 TIF);

12 (82) if the ordinance was adopted on November 6, 2002  
13 by the City of Chicago to create the Madden/Wells TIF  
14 District;

15 (83) if the ordinance was adopted on November 4, 1998  
16 by the City of Chicago to create the Roosevelt/Racine TIF  
17 District;

18 (84) if the ordinance was adopted on June 10, 1998 by  
19 the City of Chicago to create the Stony Island  
20 Commercial/Burnside Industrial Corridors TIF District;

21 (85) if the ordinance was adopted on November 29, 1989  
22 by the City of Chicago to create the Englewood Mall TIF  
23 District;

24 (86) if the ordinance was adopted on December 27, 1986  
25 by the City of Mendota;

26 (87) if the ordinance was adopted on December 31, 1986

1 by the Village of Cahokia;

2 (88) if the ordinance was adopted on September 20, 1999  
3 by the City of Belleville;

4 (89) if the ordinance was adopted on December 30, 1986  
5 by the Village of Bellevue to create the Bellevue TIF  
6 District 1;

7 (90) if the ordinance was adopted on December 13, 1993  
8 by the Village of Crete;

9 (91) if the ordinance was adopted on February 12, 2001  
10 by the Village of Crete;

11 (92) if the ordinance was adopted on April 23, 2001 by  
12 the Village of Crete;

13 (93) if the ordinance was adopted on December 16, 1986  
14 by the City of Champaign;

15 (94) if the ordinance was adopted on December 20, 1986  
16 by the City of Charleston; ~~or~~

17 (95) if the ordinance was adopted on October 14, 1993  
18 and amended on August 2, 2010 by the City of Venice; ~~or~~

19 (96) ~~(94)~~ if the ordinance was adopted on June 6, 1989  
20 by the Village of Romeoville; or ~~or~~

21 (97) if the ordinance was adopted on October 27, 1998  
22 by the City of Moline.

23 (d) For redevelopment project areas for which bonds were  
24 issued before July 29, 1991, or for which contracts were  
25 entered into before June 1, 1988, in connection with a  
26 redevelopment project in the area within the State Sales Tax

1 Boundary, the estimated dates of completion of the  
2 redevelopment project and retirement of obligations to finance  
3 redevelopment project costs (including refunding bonds under  
4 Section 11-74.4-7) may be extended by municipal ordinance to  
5 December 31, 2013. The termination procedures of subsection (b)  
6 of Section 11-74.4-8 are not required for these redevelopment  
7 project areas in 2009 but are required in 2013. The extension  
8 allowed by Public Act 87-1272 shall not apply to real property  
9 tax increment allocation financing under Section 11-74.4-8.

10 (e) Those dates, for purposes of real property tax  
11 increment allocation financing pursuant to Section 11-74.4-8  
12 only, shall be not more than 35 years for redevelopment project  
13 areas that were adopted on or after December 16, 1986 and for  
14 which at least \$8 million worth of municipal bonds were  
15 authorized on or after December 19, 1989 but before January 1,  
16 1990; provided that the municipality elects to extend the life  
17 of the redevelopment project area to 35 years by the adoption  
18 of an ordinance after at least 14 but not more than 30 days'  
19 written notice to the taxing bodies, that would otherwise  
20 constitute the joint review board for the redevelopment project  
21 area, before the adoption of the ordinance.

22 (f) Those dates, for purposes of real property tax  
23 increment allocation financing pursuant to Section 11-74.4-8  
24 only, shall be not more than 35 years for redevelopment project  
25 areas that were established on or after December 1, 1981 but  
26 before January 1, 1982 and for which at least \$1,500,000 worth

1 of tax increment revenue bonds were authorized on or after  
2 September 30, 1990 but before July 1, 1991; provided that the  
3 municipality elects to extend the life of the redevelopment  
4 project area to 35 years by the adoption of an ordinance after  
5 at least 14 but not more than 30 days' written notice to the  
6 taxing bodies, that would otherwise constitute the joint review  
7 board for the redevelopment project area, before the adoption  
8 of the ordinance.

9 (g) In consolidating the material relating to completion  
10 dates from Sections 11-74.4-3 and 11-74.4-7 into this Section,  
11 it is not the intent of the General Assembly to make any  
12 substantive change in the law, except for the extension of the  
13 completion dates for the City of Aurora, the Village of Milan,  
14 the City of West Frankfort, the Village of Libertyville, and  
15 the Village of Hoffman Estates set forth under items (67),  
16 (68), (69), (70), and (71) of subsection (c) of this Section.

17 (Source: P.A. 95-932, eff. 8-26-08; 95-964, eff. 9-23-08;  
18 incorporates P.A. 95-777, eff. 9-22-08, and 95-1028, eff.  
19 8-25-09 (see Section 5 of P.A. 96-717 for the effective date of  
20 changes made by P.A. 95-1028); 96-127, eff. 8-4-09; 96-182,  
21 eff. 8-10-09; 96-208, eff. 8-10-09; 96-209, eff. 1-1-10;  
22 96-213, eff. 8-10-09; 96-264, eff. 8-11-09; 96-328, eff.  
23 8-11-09; 96-439, eff. 8-14-09; 96-454, eff. 8-14-09; 96-722,  
24 eff. 8-25-09; 96-773, eff. 8-28-09; 96-830, eff. 12-4-09;  
25 96-837, eff. 12-16-09; 96-1000, eff. 7-2-10; 96-1359, eff.  
26 7-28-10; 96-1494, eff. 12-30-10; 96-1514, eff. 2-4-11;

1 96-1552, eff. 3-10-11; revised 4-5-11.)

2 (65 ILCS 5/11-74.4-4) (from Ch. 24, par. 11-74.4-4)

3 Sec. 11-74.4-4. Municipal powers and duties; redevelopment  
4 project areas. The changes made by this amendatory Act of the  
5 91st General Assembly do not apply to a municipality that, (i)  
6 before the effective date of this amendatory Act of the 91st  
7 General Assembly, has adopted an ordinance or resolution fixing  
8 a time and place for a public hearing under Section 11-74.4-5  
9 or (ii) before July 1, 1999, has adopted an ordinance or  
10 resolution providing for a feasibility study under Section  
11 11-74.4-4.1, but has not yet adopted an ordinance approving  
12 redevelopment plans and redevelopment projects or designating  
13 redevelopment project areas under this Section, until after  
14 that municipality adopts an ordinance approving redevelopment  
15 plans and redevelopment projects or designating redevelopment  
16 project areas under this Section; thereafter the changes made  
17 by this amendatory Act of the 91st General Assembly apply to  
18 the same extent that they apply to redevelopment plans and  
19 redevelopment projects that were approved and redevelopment  
20 projects that were designated before the effective date of this  
21 amendatory Act of the 91st General Assembly.

22 A municipality may:

23 (a) By ordinance introduced in the governing body of the  
24 municipality within 14 to 90 days from the completion of the  
25 hearing specified in Section 11-74.4-5 approve redevelopment

1 plans and redevelopment projects, and designate redevelopment  
2 project areas pursuant to notice and hearing required by this  
3 Act. No redevelopment project area shall be designated unless a  
4 plan and project are approved prior to the designation of such  
5 area and such area shall include only those contiguous parcels  
6 of real property and improvements thereon substantially  
7 benefited by the proposed redevelopment project improvements.  
8 Upon adoption of the ordinances, the municipality shall  
9 forthwith transmit to the Department of Commerce and Economic  
10 Opportunity, the State Comptroller, and the county clerk of the  
11 county or counties within which the redevelopment project area  
12 is located a certified copy of the ordinances, a legal  
13 description of the redevelopment project area, a map of the  
14 redevelopment project area, identification of the year that the  
15 county clerk shall use for determining the total initial  
16 equalized assessed value of the redevelopment project area  
17 consistent with subsection (a) of Section 11-74.4-9, and a list  
18 of the parcel or tax identification number of each parcel of  
19 property included in the redevelopment project area. On and  
20 after the effective date of this amendatory Act of the 97th  
21 General Assembly, the State Comptroller must post this  
22 documentation on the State Comptroller's official website.  
23 This information must be posted no later than 45 days after the  
24 State Comptroller receives it from the municipality.  
25 Notwithstanding any other provision of law, in a municipality  
26 with a population exceeding 25,000 inhabitants, no

1 redevelopment project area may be designated on or after the  
2 effective date of this amendatory Act of the 97th General  
3 Assembly if, as of the anticipated effective date of the  
4 designation, the equalized assessed value of all property in  
5 the redevelopment project area plus the total current equalized  
6 assessed value of all property located in the municipality and  
7 subject to tax increment financing under this Division exceeds  
8 35% of the total equalized assessed value of all property  
9 located in the municipality.

10 (b) Make and enter into all contracts with property owners,  
11 developers, tenants, overlapping taxing bodies, and others  
12 necessary or incidental to the implementation and furtherance  
13 of its redevelopment plan and project. Contract provisions  
14 concerning loan repayment obligations in contracts entered  
15 into on or after the effective date of this amendatory Act of  
16 the 93rd General Assembly shall terminate no later than the  
17 last to occur of the estimated dates of completion of the  
18 redevelopment project and retirement of the obligations issued  
19 to finance redevelopment project costs as required by item (3)  
20 of subsection (n) of Section 11-74.4-3. Payments received under  
21 contracts entered into by the municipality prior to the  
22 effective date of this amendatory Act of the 93rd General  
23 Assembly that are received after the redevelopment project area  
24 has been terminated by municipal ordinance shall be deposited  
25 into a special fund of the municipality to be used for other  
26 community redevelopment needs within the redevelopment project

1 area.

2 (c) Within a redevelopment project area, acquire by  
3 purchase, donation, lease or eminent domain; own, convey,  
4 lease, mortgage or dispose of land and other property, real or  
5 personal, or rights or interests therein, and grant or acquire  
6 licenses, easements and options with respect thereto, all in  
7 the manner and at such price the municipality determines is  
8 reasonably necessary to achieve the objectives of the  
9 redevelopment plan and project. No conveyance, lease,  
10 mortgage, disposition of land or other property owned by a  
11 municipality, or agreement relating to the development of such  
12 municipal property shall be made except upon the adoption of an  
13 ordinance by the corporate authorities of the municipality.  
14 Furthermore, no conveyance, lease, mortgage, or other  
15 disposition of land owned by a municipality or agreement  
16 relating to the development of such municipal property shall be  
17 made without making public disclosure of the terms of the  
18 disposition and all bids and proposals made in response to the  
19 municipality's request. The procedures for obtaining such bids  
20 and proposals shall provide reasonable opportunity for any  
21 person to submit alternative proposals or bids.

22 (d) Within a redevelopment project area, clear any area by  
23 demolition or removal of any existing buildings and structures.

24 (e) Within a redevelopment project area, renovate or  
25 rehabilitate or construct any structure or building, as  
26 permitted under this Act.



1           (f) Install, repair, construct, reconstruct or relocate  
2 streets, utilities and site improvements essential to the  
3 preparation of the redevelopment area for use in accordance  
4 with a redevelopment plan.

5           (g) Within a redevelopment project area, fix, charge and  
6 collect fees, rents and charges for the use of any building or  
7 property owned or leased by it or any part thereof, or facility  
8 therein.

9           (h) Accept grants, guarantees and donations of property,  
10 labor, or other things of value from a public or private source  
11 for use within a project redevelopment area.

12           (i) Acquire and construct public facilities within a  
13 redevelopment project area, as permitted under this Act.

14           (j) Incur project redevelopment costs and reimburse  
15 developers who incur redevelopment project costs authorized by  
16 a redevelopment agreement; provided, however, that on and after  
17 the effective date of this amendatory Act of the 91st General  
18 Assembly, no municipality shall incur redevelopment project  
19 costs (except for planning costs and any other eligible costs  
20 authorized by municipal ordinance or resolution that are  
21 subsequently included in the redevelopment plan for the area  
22 and are incurred by the municipality after the ordinance or  
23 resolution is adopted) that are not consistent with the program  
24 for accomplishing the objectives of the redevelopment plan as  
25 included in that plan and approved by the municipality until  
26 the municipality has amended the redevelopment plan as provided

1 elsewhere in this Act.

2 (k) Create a commission of not less than 5 or more than 15  
3 persons to be appointed by the mayor or president of the  
4 municipality with the consent of the majority of the governing  
5 board of the municipality. Members of a commission appointed  
6 after the effective date of this amendatory Act of 1987 shall  
7 be appointed for initial terms of 1, 2, 3, 4 and 5 years,  
8 respectively, in such numbers as to provide that the terms of  
9 not more than 1/3 of all such members shall expire in any one  
10 year. Their successors shall be appointed for a term of 5  
11 years. The commission, subject to approval of the corporate  
12 authorities may exercise the powers enumerated in this Section.  
13 The commission shall also have the power to hold the public  
14 hearings required by this division and make recommendations to  
15 the corporate authorities concerning the adoption of  
16 redevelopment plans, redevelopment projects and designation of  
17 redevelopment project areas.

18 (l) Make payment in lieu of taxes or a portion thereof to  
19 taxing districts. If payments in lieu of taxes or a portion  
20 thereof are made to taxing districts, those payments shall be  
21 made to all districts within a project redevelopment area on a  
22 basis which is proportional to the current collections of  
23 revenue which each taxing district receives from real property  
24 in the redevelopment project area.

25 (m) Exercise any and all other powers necessary to  
26 effectuate the purposes of this Act.

1           (n) If any member of the corporate authority, a member of a  
2       commission established pursuant to Section 11-74.4-4(k) of  
3       this Act, or an employee or consultant of the municipality  
4       involved in the planning and preparation of a redevelopment  
5       plan, or project for a redevelopment project area or proposed  
6       redevelopment project area, as defined in Sections  
7       11-74.4-3(i) through (k) of this Act, owns or controls an  
8       interest, direct or indirect, in any property included in any  
9       redevelopment area, or proposed redevelopment area, he or she  
10      shall disclose the same in writing to the clerk of the  
11      municipality, and shall also so disclose the dates and terms  
12      and conditions of any disposition of any such interest, which  
13      disclosures shall be acknowledged by the corporate authorities  
14      and entered upon the minute books of the corporate authorities.  
15      If an individual holds such an interest then that individual  
16      shall refrain from any further official involvement in regard  
17      to such redevelopment plan, project or area, from voting on any  
18      matter pertaining to such redevelopment plan, project or area,  
19      or communicating with other members concerning corporate  
20      authorities, commission or employees concerning any matter  
21      pertaining to said redevelopment plan, project or area.  
22      Furthermore, no such member or employee shall acquire of any  
23      interest direct, or indirect, in any property in a  
24      redevelopment area or proposed redevelopment area after either  
25      (a) such individual obtains knowledge of such plan, project or  
26      area or (b) first public notice of such plan, project or area

1 pursuant to Section 11-74.4-6 of this Division, whichever  
2 occurs first. For the purposes of this subsection, a property  
3 interest acquired in a single parcel of property by a member of  
4 the corporate authority, which property is used exclusively as  
5 the member's primary residence, shall not be deemed to  
6 constitute an interest in any property included in a  
7 redevelopment area or proposed redevelopment area that was  
8 established before December 31, 1989, but the member must  
9 disclose the acquisition to the municipal clerk under the  
10 provisions of this subsection. A single property interest  
11 acquired within one year after the effective date of this  
12 amendatory Act of the 94th General Assembly or 2 years after  
13 the effective date of this amendatory Act of the 95th General  
14 Assembly by a member of the corporate authority does not  
15 constitute an interest in any property included in any  
16 redevelopment area or proposed redevelopment area, regardless  
17 of when the redevelopment area was established, if (i) the  
18 property is used exclusively as the member's primary residence,  
19 (ii) the member discloses the acquisition to the municipal  
20 clerk under the provisions of this subsection, (iii) the  
21 acquisition is for fair market value, (iv) the member acquires  
22 the property as a result of the property being publicly  
23 advertised for sale, and (v) the member refrains from voting  
24 on, and communicating with other members concerning, any matter  
25 when the benefits to the redevelopment project or area would be  
26 significantly greater than the benefits to the municipality as

1 a whole. For the purposes of this subsection, a month-to-month  
2 leasehold interest in a single parcel of property by a member  
3 of the corporate authority shall not be deemed to constitute an  
4 interest in any property included in any redevelopment area or  
5 proposed redevelopment area, but the member must disclose the  
6 interest to the municipal clerk under the provisions of this  
7 subsection.

8 (o) Create a Tax Increment Economic Development Advisory  
9 Committee to be appointed by the Mayor or President of the  
10 municipality with the consent of the majority of the governing  
11 board of the municipality, the members of which Committee shall  
12 be appointed for initial terms of 1, 2, 3, 4 and 5 years  
13 respectively, in such numbers as to provide that the terms of  
14 not more than 1/3 of all such members shall expire in any one  
15 year. Their successors shall be appointed for a term of 5  
16 years. The Committee shall have none of the powers enumerated  
17 in this Section. The Committee shall serve in an advisory  
18 capacity only. The Committee may advise the governing Board of  
19 the municipality and other municipal officials regarding  
20 development issues and opportunities within the redevelopment  
21 project area or the area within the State Sales Tax Boundary.  
22 The Committee may also promote and publicize development  
23 opportunities in the redevelopment project area or the area  
24 within the State Sales Tax Boundary.

25 (p) Municipalities may jointly undertake and perform  
26 redevelopment plans and projects and utilize the provisions of

1 the Act wherever they have contiguous redevelopment project  
2 areas or they determine to adopt tax increment financing with  
3 respect to a redevelopment project area which includes  
4 contiguous real property within the boundaries of the  
5 municipalities, and in doing so, they may, by agreement between  
6 municipalities, issue obligations, separately or jointly, and  
7 expend revenues received under the Act for eligible expenses  
8 anywhere within contiguous redevelopment project areas or as  
9 otherwise permitted in the Act.

10 (q) Utilize revenues, other than State sales tax increment  
11 revenues, received under this Act from one redevelopment  
12 project area for eligible costs in another redevelopment  
13 project area that is:

14 (i) contiguous to the redevelopment project area from  
15 which the revenues are received;

16 (ii) separated only by a public right of way from the  
17 redevelopment project area from which the revenues are  
18 received; or

19 (iii) separated only by forest preserve property from  
20 the redevelopment project area from which the revenues are  
21 received if the closest boundaries of the redevelopment  
22 project areas that are separated by the forest preserve  
23 property are less than one mile apart.

24 Utilize tax increment revenues for eligible costs that are  
25 received from a redevelopment project area created under the  
26 Industrial Jobs Recovery Law that is either contiguous to, or

1 is separated only by a public right of way from, the  
2 redevelopment project area created under this Act which  
3 initially receives these revenues. Utilize revenues, other  
4 than State sales tax increment revenues, by transferring or  
5 loaning such revenues to a redevelopment project area created  
6 under the Industrial Jobs Recovery Law that is either  
7 contiguous to, or separated only by a public right of way from  
8 the redevelopment project area that initially produced and  
9 received those revenues; and, if the redevelopment project area  
10 (i) was established before the effective date of this  
11 amendatory Act of the 91st General Assembly and (ii) is located  
12 within a municipality with a population of more than 100,000,  
13 utilize revenues or proceeds of obligations authorized by  
14 Section 11-74.4-7 of this Act, other than use or occupation tax  
15 revenues, to pay for any redevelopment project costs as defined  
16 by subsection (q) of Section 11-74.4-3 to the extent that the  
17 redevelopment project costs involve public property that is  
18 either contiguous to, or separated only by a public right of  
19 way from, a redevelopment project area whether or not  
20 redevelopment project costs or the source of payment for the  
21 costs are specifically set forth in the redevelopment plan for  
22 the redevelopment project area.

23 On and after the effective date of this amendatory Act of  
24 the 97th General Assembly, revenues used pursuant to this  
25 subsection shall be used only for the mutual benefit of the  
26 redevelopment project area that the revenues were received from

1 and the redevelopment project area that the revenues were sent  
2 to. A redevelopment project area that uses revenues pursuant to  
3 this subsection may not transfer revenues to another  
4 redevelopment project area before repaying the redevelopment  
5 project area that the revenues were received from.

6 (r) If no redevelopment project has been initiated in a  
7 redevelopment project area within 7 years after the area was  
8 designated by ordinance under subsection (a), the municipality  
9 shall adopt an ordinance repealing the area's designation as a  
10 redevelopment project area; provided, however, that if an area  
11 received its designation more than 3 years before the effective  
12 date of this amendatory Act of 1994 and no redevelopment  
13 project has been initiated within 4 years after the effective  
14 date of this amendatory Act of 1994, the municipality shall  
15 adopt an ordinance repealing its designation as a redevelopment  
16 project area. Initiation of a redevelopment project shall be  
17 evidenced by either a signed redevelopment agreement or  
18 expenditures on eligible redevelopment project costs  
19 associated with a redevelopment project.

20 Notwithstanding any other provision of this Section to the  
21 contrary, with respect to a redevelopment project area  
22 designated by an ordinance that was adopted on July 29, 1998 by  
23 the City of Chicago, the City of Chicago shall adopt an  
24 ordinance repealing the area's designation as a redevelopment  
25 project area if no redevelopment project has been initiated in  
26 the redevelopment project area within 15 years after the



1 designation of the area. The City of Chicago may retroactively  
2 repeal any ordinance adopted by the City of Chicago, pursuant  
3 to this subsection (r), that repealed the designation of a  
4 redevelopment project area designated by an ordinance that was  
5 adopted by the City of Chicago on July 29, 1998. The City of  
6 Chicago has 90 days after the effective date of this amendatory  
7 Act to repeal the ordinance. The changes to this Section made  
8 by this amendatory Act of the 96th General Assembly apply  
9 retroactively to July 27, 2005.

10 (s) Notwithstanding any provision of this Section to the  
11 contrary, the owner or party responsible for the payment of  
12 real estate taxes upon property located within a redevelopment  
13 project area shall retain the right to contest or object in  
14 good faith to the proposed property tax assessment upon that  
15 property in any given year during the term of the redevelopment  
16 project area agreement.

17 (Source: P.A. 95-1054, eff. 1-1-10; 96-1555, eff. 3-18-11.)

18 (65 ILCS 5/11-74.4-5) (from Ch. 24, par. 11-74.4-5)

19 Sec. 11-74.4-5. Public hearing; joint review board.

20 (a) The changes made by this amendatory Act of the 91st  
21 General Assembly do not apply to a municipality that, (i)  
22 before the effective date of this amendatory Act of the 91st  
23 General Assembly, has adopted an ordinance or resolution fixing  
24 a time and place for a public hearing under this Section or  
25 (ii) before July 1, 1999, has adopted an ordinance or

1 resolution providing for a feasibility study under Section  
2 11-74.4-4.1, but has not yet adopted an ordinance approving  
3 redevelopment plans and redevelopment projects or designating  
4 redevelopment project areas under Section 11-74.4-4, until  
5 after that municipality adopts an ordinance approving  
6 redevelopment plans and redevelopment projects or designating  
7 redevelopment project areas under Section 11-74.4-4;  
8 thereafter the changes made by this amendatory Act of the 91st  
9 General Assembly apply to the same extent that they apply to  
10 redevelopment plans and redevelopment projects that were  
11 approved and redevelopment projects that were designated  
12 before the effective date of this amendatory Act of the 91st  
13 General Assembly.

14 Prior to the adoption of an ordinance proposing the  
15 designation of a redevelopment project area, or approving a  
16 redevelopment plan or redevelopment project, the municipality  
17 by its corporate authorities, or as it may determine by any  
18 commission designated under subsection (k) of Section  
19 11-74.4-4 shall adopt an ordinance or resolution fixing a time  
20 and place for public hearing. At least 10 days prior to the  
21 adoption of the ordinance or resolution establishing the time  
22 and place for the public hearing, the municipality shall make  
23 available for public inspection a redevelopment plan or a  
24 separate report that provides in reasonable detail the basis  
25 for the eligibility of the redevelopment project area. The  
26 report along with the name of a person to contact for further

1 information shall be sent within a reasonable time after the  
2 adoption of such ordinance or resolution to the affected taxing  
3 districts by certified mail. On and after the effective date of  
4 this amendatory Act of the 91st General Assembly, the  
5 municipality shall print in a newspaper of general circulation  
6 within the municipality a notice that interested persons may  
7 register with the municipality in order to receive information  
8 on the proposed designation of a redevelopment project area or  
9 the approval of a redevelopment plan. The notice shall state  
10 the place of registration and the operating hours of that  
11 place. The municipality shall have adopted reasonable rules to  
12 implement this registration process under Section 11-74.4-4.2.  
13 The municipality shall provide notice of the availability of  
14 the redevelopment plan and eligibility report, including how to  
15 obtain this information, by mail within a reasonable time after  
16 the adoption of the ordinance or resolution, to all residential  
17 addresses that, after a good faith effort, the municipality  
18 determines are located outside the proposed redevelopment  
19 project area and within 750 feet of the boundaries of the  
20 proposed redevelopment project area. This requirement is  
21 subject to the limitation that in a municipality with a  
22 population of over 100,000, if the total number of residential  
23 addresses outside the proposed redevelopment project area and  
24 within 750 feet of the boundaries of the proposed redevelopment  
25 project area exceeds 750, the municipality shall be required to  
26 provide the notice to only the 750 residential addresses that,

1 after a good faith effort, the municipality determines are  
2 outside the proposed redevelopment project area and closest to  
3 the boundaries of the proposed redevelopment project area.  
4 Notwithstanding the foregoing, notice given after August 7,  
5 2001 (the effective date of Public Act 92-263) and before the  
6 effective date of this amendatory Act of the 92nd General  
7 Assembly to residential addresses within 750 feet of the  
8 boundaries of a proposed redevelopment project area shall be  
9 deemed to have been sufficiently given in compliance with this  
10 Act if given only to residents outside the boundaries of the  
11 proposed redevelopment project area. The notice shall also be  
12 provided by the municipality, regardless of its population, to  
13 those organizations and residents that have registered with the  
14 municipality for that information in accordance with the  
15 registration guidelines established by the municipality under  
16 Section 11-74.4-4.2.

17 At the public hearing any interested person or affected  
18 taxing district may file with the municipal clerk written  
19 objections to and may be heard orally in respect to any issues  
20 embodied in the notice. The municipality shall hear all  
21 protests and objections at the hearing, granting each witness a  
22 reasonable amount of time for testimony, and the hearing may be  
23 adjourned to another date without further notice other than a  
24 motion to be entered upon the minutes fixing the time and place  
25 of the subsequent hearing. At the public hearing or at any time  
26 prior to the adoption by the municipality of an ordinance

1 approving a redevelopment plan, the municipality may make  
2 changes in the redevelopment plan. Changes which (1) add  
3 additional parcels of property to the proposed redevelopment  
4 project area, other than parcels to be removed from a  
5 redevelopment project area for the purpose of inclusion in  
6 another redevelopment project area, (2) substantially affect  
7 the general land uses proposed in the redevelopment plan, (3)  
8 substantially change the nature of or extend the life of the  
9 redevelopment project, or (4) increase the number of inhabited  
10 residential units to be displaced from the redevelopment  
11 project area, as measured from the time of creation of the  
12 redevelopment project area, to a total of more than 10, shall  
13 be made only after the municipality gives notice, convenes a  
14 joint review board, and conducts a public hearing pursuant to  
15 the procedures set forth in this Section and in Section  
16 11-74.4-6 of this Act. Changes which do not (1) add additional  
17 parcels of property to the proposed redevelopment project area,  
18 other than parcels to be removed from a redevelopment project  
19 area for the purpose of inclusion in another redevelopment  
20 project area, (2) substantially affect the general land uses  
21 proposed in the redevelopment plan, (3) substantially change  
22 the nature of or extend the life of the redevelopment project,  
23 or (4) increase the number of inhabited residential units to be  
24 displaced from the redevelopment project area, as measured from  
25 the time of creation of the redevelopment project area, to a  
26 total of more than 10, may be made without further hearing,

1 provided that the municipality shall give notice of any such  
2 changes by mail to each affected taxing district and registrant  
3 on the interested parties registry, provided for under Section  
4 11-74.4-4.2, and by publication in a newspaper of general  
5 circulation within the affected taxing district. Such notice by  
6 mail and by publication shall each occur not later than 10 days  
7 following the adoption by ordinance of such changes. Hearings  
8 with regard to a redevelopment project area, project or plan  
9 may be held simultaneously.

10 (b) Prior to holding a public hearing to approve or amend a  
11 redevelopment plan or to designate or add additional parcels of  
12 property to a redevelopment project area, the municipality  
13 shall convene a joint review board. The board shall consist of  
14 a representative selected by each community college district,  
15 local elementary school district and high school district or  
16 each local community unit school district, park district,  
17 library district, township, fire protection district, and  
18 county that will have the authority to directly levy taxes on  
19 the property within the proposed redevelopment project area at  
20 the time that the proposed redevelopment project area is  
21 approved, a representative selected by the municipality and a  
22 public member. The public member shall first be selected and  
23 then the board's chairperson shall be selected by a majority of  
24 the board members present and voting.

25 For redevelopment project areas with redevelopment plans  
26 or proposed redevelopment plans that would result in the

1 displacement of residents from 10 or more inhabited residential  
2 units or that include 75 or more inhabited residential units,  
3 the public member shall be a person who resides in the  
4 redevelopment project area. If, as determined by the housing  
5 impact study provided for in paragraph (5) of subsection (n) of  
6 Section 11-74.4-3, or if no housing impact study is required  
7 then based on other reasonable data, the majority of  
8 residential units are occupied by very low, low, or moderate  
9 income households, as defined in Section 3 of the Illinois  
10 Affordable Housing Act, the public member shall be a person who  
11 resides in very low, low, or moderate income housing within the  
12 redevelopment project area. Municipalities with fewer than  
13 15,000 residents shall not be required to select a person who  
14 lives in very low, low, or moderate income housing within the  
15 redevelopment project area, provided that the redevelopment  
16 plan or project will not result in displacement of residents  
17 from 10 or more inhabited units, and the municipality so  
18 certifies in the plan. If no person satisfying these  
19 requirements is available or if no qualified person will serve  
20 as the public member, then the joint review board is relieved  
21 of this paragraph's selection requirements for the public  
22 member.

23 Within 90 days of the effective date of this amendatory Act  
24 of the 91st General Assembly, each municipality that designated  
25 a redevelopment project area for which it was not required to  
26 convene a joint review board under this Section shall convene a

1 joint review board to perform the duties specified under  
2 paragraph (e) of this Section.

3 All board members shall be appointed and the first board  
4 meeting shall be held at least 14 days but not more than 28  
5 days after the mailing of notice by the municipality to the  
6 taxing districts as required by Section 11-74.4-6(c).  
7 Notwithstanding the preceding sentence, a municipality that  
8 adopted either a public hearing resolution or a feasibility  
9 resolution between July 1, 1999 and July 1, 2000 that called  
10 for the meeting of the joint review board within 14 days of  
11 notice of public hearing to affected taxing districts is deemed  
12 to be in compliance with the notice, meeting, and public  
13 hearing provisions of the Act. Such notice shall also advise  
14 the taxing bodies represented on the joint review board of the  
15 time and place of the first meeting of the board. Additional  
16 meetings of the board shall be held upon the call of any  
17 member. The municipality seeking designation of the  
18 redevelopment project area shall provide administrative  
19 support to the board.

20 The board shall review (i) the public record, planning  
21 documents and proposed ordinances approving the redevelopment  
22 plan and project and (ii) proposed amendments to the  
23 redevelopment plan or additions of parcels of property to the  
24 redevelopment project area to be adopted by the municipality.  
25 As part of its deliberations, the board may hold additional  
26 hearings on the proposal. A board's initial recommendation



1 shall be an advisory, non-binding recommendation. The  
2 recommendation shall be adopted by a majority of those members  
3 present and voting. The recommendations shall be submitted to  
4 the municipality within 30 days after convening of the board.  
5 Failure of the board to submit its report on a timely basis  
6 shall not be cause to delay the public hearing or any other  
7 step in the process of designating or amending the  
8 redevelopment project area but shall be deemed to constitute  
9 approval by the joint review board of the matters before it.

10 The board shall base its recommendation to approve or  
11 disapprove the redevelopment plan and the designation of the  
12 redevelopment project area or the amendment of the  
13 redevelopment plan or addition of parcels of property to the  
14 redevelopment project area on the basis of the redevelopment  
15 project area and redevelopment plan satisfying the plan  
16 requirements, the eligibility criteria defined in Section  
17 11-74.4-3, and the objectives of this Act.

18 The board shall issue a written report describing why the  
19 redevelopment plan and project area or the amendment thereof  
20 meets or fails to meet one or more of the objectives of this  
21 Act and both the plan requirements and the eligibility criteria  
22 defined in Section 11-74.4-3. In the event the Board does not  
23 file a report it shall be presumed that these taxing bodies  
24 find the redevelopment project area and redevelopment plan  
25 satisfy the objectives of this Act and the plan requirements  
26 and eligibility criteria.

1           If the board recommends rejection of the matters before it,  
2           the municipality will have 30 days within which to resubmit the  
3           plan or amendment. During this period, the municipality will  
4           meet and confer with the board and attempt to resolve those  
5           issues set forth in the board's written report that led to the  
6           rejection of the plan or amendment.

7           Notwithstanding the resubmission set forth above, the  
8           municipality may commence the scheduled public hearing and  
9           either adjourn the public hearing or continue the public  
10          hearing until a date certain. Prior to continuing any public  
11          hearing to a date certain, the municipality shall announce  
12          during the public hearing the time, date, and location for the  
13          reconvening of the public hearing. Any changes to the  
14          redevelopment plan necessary to satisfy the issues set forth in  
15          the joint review board report shall be the subject of a public  
16          hearing before the hearing is adjourned if the changes would  
17          (1) substantially affect the general land uses proposed in the  
18          redevelopment plan, (2) substantially change the nature of or  
19          extend the life of the redevelopment project, or (3) increase  
20          the number of inhabited residential units to be displaced from  
21          the redevelopment project area, as measured from the time of  
22          creation of the redevelopment project area, to a total of more  
23          than 10. Changes to the redevelopment plan necessary to satisfy  
24          the issues set forth in the joint review board report shall not  
25          require any further notice or convening of a joint review board  
26          meeting, except that any changes to the redevelopment plan that

1 would add additional parcels of property to the proposed  
2 redevelopment project area shall be subject to the notice,  
3 public hearing, and joint review board meeting requirements  
4 established for such changes by subsection (a) of Section  
5 11-74.4-5.

6 Before the effective date of this amendatory Act of the  
7 97th General Assembly, in ~~in~~ the event that the municipality  
8 and the board are unable to resolve these differences, or in  
9 the event that the resubmitted plan or amendment is rejected by  
10 the board, the municipality may proceed with the plan or  
11 amendment, but only upon a three-fifths vote of the corporate  
12 authority responsible for approval of the plan or amendment,  
13 excluding positions of members that are vacant and those  
14 members that are ineligible to vote because of conflicts of  
15 interest.

16 On and after the effective date of this amendatory Act of  
17 the 97th General Assembly, in the event that a resubmitted plan  
18 or amendment is rejected by a majority of the representatives  
19 on the joint review board, with each member having an equal  
20 vote, the municipality may not proceed with the plan or  
21 amendment. Each taxing district voting to reject a plan or  
22 amendment shall send documentation explaining its opposition  
23 to the State Comptroller. The State Comptroller must post this  
24 documentation on the State Comptroller's official website.  
25 This information must be posted no later than 45 days after the  
26 State Comptroller receives the information from the taxing

1 districts.

2 (c) After a municipality has by ordinance approved a  
3 redevelopment plan and designated a redevelopment project  
4 area, the plan may be amended and additional properties may be  
5 added to the redevelopment project area only as herein  
6 provided. Amendments which (1) add additional parcels of  
7 property to the proposed redevelopment project area, (2)  
8 substantially affect the general land uses proposed in the  
9 redevelopment plan, (3) substantially change the nature of the  
10 redevelopment project, (4) increase the total estimated  
11 redevelopment project costs set out in the redevelopment plan  
12 by more than 5% after adjustment for inflation from the date  
13 the plan was adopted, (5) add additional redevelopment project  
14 costs to the itemized list of redevelopment project costs set  
15 out in the redevelopment plan, or (6) increase the number of  
16 inhabited residential units to be displaced from the  
17 redevelopment project area, as measured from the time of  
18 creation of the redevelopment project area, to a total of more  
19 than 10, shall be made only after the municipality gives  
20 notice, convenes a joint review board, and conducts a public  
21 hearing pursuant to the procedures set forth in this Section  
22 and in Section 11-74.4-6 of this Act. Changes which do not (1)  
23 add additional parcels of property to the proposed  
24 redevelopment project area, (2) substantially affect the  
25 general land uses proposed in the redevelopment plan, (3)  
26 substantially change the nature of the redevelopment project,

1 (4) increase the total estimated redevelopment project cost set  
2 out in the redevelopment plan by more than 5% after adjustment  
3 for inflation from the date the plan was adopted, (5) add  
4 additional redevelopment project costs to the itemized list of  
5 redevelopment project costs set out in the redevelopment plan,  
6 or (6) increase the number of inhabited residential units to be  
7 displaced from the redevelopment project area, as measured from  
8 the time of creation of the redevelopment project area, to a  
9 total of more than 10, may be made without further public  
10 hearing and related notices and procedures including the  
11 convening of a joint review board as set forth in Section  
12 11-74.4-6 of this Act, provided that the municipality shall  
13 give notice of any such changes by mail to each affected taxing  
14 district and registrant on the interested parties registry,  
15 provided for under Section 11-74.4-4.2, and by publication in a  
16 newspaper of general circulation within the affected taxing  
17 district. Such notice by mail and by publication shall each  
18 occur not later than 10 days following the adoption by  
19 ordinance of such changes.

20 (d) After the effective date of this amendatory Act of the  
21 91st General Assembly, a municipality shall submit in an  
22 electronic format the following information for each  
23 redevelopment project area (i) to the State Comptroller under  
24 Section 8-8-3.5 of the Illinois Municipal Code and (ii) to all  
25 taxing districts overlapping the redevelopment project area no  
26 later than 180 days after the close of each municipal fiscal

1 year or as soon thereafter as the audited financial statements  
2 become available and, in any case, shall be submitted before  
3 the annual meeting of the Joint Review Board to each of the  
4 taxing districts that overlap the redevelopment project area:

5 (1) Any amendments to the redevelopment plan, the  
6 redevelopment project area, or the State Sales Tax  
7 Boundary.

8 (1.5) A list of the redevelopment project areas  
9 administered by the municipality and, if applicable, the  
10 date each redevelopment project area was designated or  
11 terminated by the municipality.

12 (2) Audited financial statements of the special tax  
13 allocation fund once a cumulative total of \$100,000 has  
14 been deposited in the fund.

15 (3) Certification of the Chief Executive Officer of the  
16 municipality that the municipality has complied with all of  
17 the requirements of this Act during the preceding fiscal  
18 year.

19 (4) An opinion of legal counsel that the municipality  
20 is in compliance with this Act.

21 (5) An analysis of the special tax allocation fund  
22 which sets forth:

23 (A) the balance in the special tax allocation fund  
24 at the beginning of the fiscal year;

25 (B) all amounts deposited in the special tax  
26 allocation fund by source, including any amounts

1           received from another redevelopment project area;

2           (C) an itemized list of all expenditures from the  
3           special tax allocation fund by category of permissible  
4           redevelopment project cost, including any amounts  
5           transferred to another redevelopment project area; and

6           (D) the balance in the special tax allocation fund  
7           at the end of the fiscal year including a breakdown of  
8           that balance by source and a breakdown of that balance  
9           identifying any portion of the balance that is  
10          required, pledged, earmarked, or otherwise designated  
11          for payment of or securing of obligations and  
12          anticipated redevelopment project costs. Any portion  
13          of such ending balance that has not been identified or  
14          is not identified as being required, pledged,  
15          earmarked, or otherwise designated for payment of or  
16          securing of obligations or anticipated redevelopment  
17          projects costs shall be designated as surplus as set  
18          forth in Section 11-74.4-7 hereof. Beginning on  
19          January 1, 2012, all accumulated tax incremental  
20          revenues that have not been designated for use for a  
21          specific development project or other specified  
22          anticipated use shall be designated as surplus.

23          (6) A description of all property purchased by the  
24          municipality within the redevelopment project area  
25          including:

26                (A) Street address.

1 (B) Approximate size or description of property.

2 (C) Purchase price.

3 (D) Seller of property.

4 (7) A statement setting forth all activities  
5 undertaken in furtherance of the objectives of the  
6 redevelopment plan, including:

7 (A) Any project implemented in the preceding  
8 fiscal year.

9 (B) A description of the redevelopment activities  
10 undertaken.

11 (C) A description of any agreements entered into by  
12 the municipality with regard to the disposition or  
13 redevelopment of any property within the redevelopment  
14 project area or the area within the State Sales Tax  
15 Boundary.

16 (D) Additional information on the use of all funds  
17 received under this Division and steps taken by the  
18 municipality to achieve the objectives of the  
19 redevelopment plan.

20 (E) Information regarding contracts that the  
21 municipality's tax increment advisors or consultants  
22 have entered into with entities or persons that have  
23 received, or are receiving, payments financed by tax  
24 increment revenues produced by the same redevelopment  
25 project area.

26 (F) Any reports submitted to the municipality by



1 the joint review board.

2 (G) A review of public and, to the extent possible,  
3 private investment actually undertaken to date after  
4 the effective date of this amendatory Act of the 91st  
5 General Assembly and estimated to be undertaken during  
6 the following year. This review shall, on a  
7 project-by-project basis, set forth the estimated  
8 amounts of public and private investment incurred  
9 after the effective date of this amendatory Act of the  
10 91st General Assembly and provide the ratio of private  
11 investment to public investment to the date of the  
12 report and as estimated to the completion of the  
13 redevelopment project.

14 (8) With regard to any obligations issued by the  
15 municipality:

16 (A) copies of any official statements; and

17 (B) an analysis prepared by financial advisor or  
18 underwriter setting forth: (i) nature and term of  
19 obligation; and (ii) projected debt service including  
20 required reserves and debt coverage.

21 (9) For special tax allocation funds that have  
22 experienced cumulative deposits of incremental tax  
23 revenues of \$100,000 or more, a certified audit report  
24 reviewing compliance with this Act performed by an  
25 independent public accountant certified and licensed by  
26 the authority of the State of Illinois. The financial

1       portion of the audit must be conducted in accordance with  
2       Standards for Audits of Governmental Organizations,  
3       Programs, Activities, and Functions adopted by the  
4       Comptroller General of the United States (1981), as  
5       amended, or the standards specified by Section 8-8-5 of the  
6       Illinois Municipal Auditing Law of the Illinois Municipal  
7       Code. The audit report shall contain a letter from the  
8       independent certified public accountant indicating  
9       compliance or noncompliance with the requirements of  
10      subsection (q) of Section 11-74.4-3. For redevelopment  
11      plans or projects that would result in the displacement of  
12      residents from 10 or more inhabited residential units or  
13      that contain 75 or more inhabited residential units, notice  
14      of the availability of the information, including how to  
15      obtain the report, required in this subsection shall also  
16      be sent by mail to all residents or organizations that  
17      operate in the municipality that register with the  
18      municipality for that information according to  
19      registration procedures adopted under Section 11-74.4-4.2.  
20      All municipalities are subject to this provision.

21       (10) A list of all intergovernmental agreements in  
22      effect during the fiscal year to which the municipality is  
23      a party and an accounting of any moneys transferred or  
24      received by the municipality during that fiscal year  
25      pursuant to those intergovernmental agreements.

26       (11) A detailed list of jobs created or retained during

1       the fiscal year, both temporary and permanent, along with a  
2       description of whether the jobs are in the public or  
3       private sector, to the extent that the information is  
4       required to be reported to the municipality pursuant to a  
5       redevelopment agreement or other written agreement.

6       (d-1) Prior to the effective date of this amendatory Act of  
7       the 91st General Assembly, municipalities with populations of  
8       over 1,000,000 shall, after adoption of a redevelopment plan or  
9       project, make available upon request to any taxing district in  
10      which the redevelopment project area is located the following  
11      information:

12           (1) Any amendments to the redevelopment plan, the  
13           redevelopment project area, or the State Sales Tax  
14           Boundary; and

15           (2) In connection with any redevelopment project area  
16           for which the municipality has outstanding obligations  
17           issued to provide for redevelopment project costs pursuant  
18           to Section 11-74.4-7, audited financial statements of the  
19           special tax allocation fund.

20       (e) The joint review board shall meet annually 180 days  
21       after the close of the municipal fiscal year or as soon as the  
22       redevelopment project audit for that fiscal year becomes  
23       available to review the effectiveness and status of the  
24       redevelopment project area up to that date.

25       (f) (Blank).

26       (g) In the event that a municipality has held a public

1 hearing under this Section prior to March 14, 1994 (the  
2 effective date of Public Act 88-537), the requirements imposed  
3 by Public Act 88-537 relating to the method of fixing the time  
4 and place for public hearing, the materials and information  
5 required to be made available for public inspection, and the  
6 information required to be sent after adoption of an ordinance  
7 or resolution fixing a time and place for public hearing shall  
8 not be applicable.

9 (h) On and after the effective date of this amendatory Act  
10 of the 96th General Assembly, the State Comptroller must post  
11 on the State Comptroller's official website the information  
12 submitted by a municipality pursuant to subsection (d) of this  
13 Section. The information must be posted no later than 45 days  
14 after the State Comptroller receives the information from the  
15 municipality. The State Comptroller must also post a list of  
16 the municipalities not in compliance with the reporting  
17 requirements set forth in subsection (d) of this Section.

18 (i) No later than 10 years after the corporate authorities  
19 of a municipality adopt an ordinance to establish a  
20 redevelopment project area, the municipality must compile a  
21 status report concerning the redevelopment project area. The  
22 status report must detail without limitation the following: (i)  
23 the amount of revenue generated within the redevelopment  
24 project area, (ii) any expenditures made by the municipality  
25 for the redevelopment project area including without  
26 limitation expenditures from the special tax allocation fund,

1 (iii) the status of planned activities, goals, and objectives  
2 set forth in the redevelopment plan including details on new or  
3 planned construction within the redevelopment project area,  
4 (iv) the amount of private and public investment within the  
5 redevelopment project area, and (v) any other relevant  
6 evaluation or performance data. Within 30 days after the  
7 municipality compiles the status report, the municipality must  
8 hold at least one public hearing concerning the report. The  
9 municipality must provide 20 days' public notice of the  
10 hearing.

11 (j) Beginning in fiscal year 2011 and in each fiscal year  
12 thereafter, a municipality must detail in its annual budget (i)  
13 the revenues generated from redevelopment project areas by  
14 source and (ii) the expenditures made by the municipality for  
15 redevelopment project areas.

16 (k) The State Comptroller may charge a municipality an  
17 annual fee for the Comptroller's costs related to the  
18 requirements of this Act. The annual fee charged to any  
19 municipality under this subsection shall not exceed \$5,000. All  
20 fees collected under this subsection shall be deposited into  
21 the Comptroller's Administrative Fund.

22 (Source: P.A. 96-1335, eff. 7-27-10.)

23 (65 ILCS 5/11-74.6-15)

24 Sec. 11-74.6-15. Municipal Powers and Duties. A  
25 municipality may:

1 (a) By ordinance introduced in the governing body of the  
2 municipality within 14 to 90 days from the final adjournment of  
3 the hearing specified in Section 11-74.6-22, approve  
4 redevelopment plans and redevelopment projects, and designate  
5 redevelopment planning areas and redevelopment project areas  
6 pursuant to notice and hearing required by this Act. No  
7 redevelopment planning area or redevelopment project area  
8 shall be designated unless a plan and project are approved  
9 before the designation of the area and the area shall include  
10 only those parcels of real property and improvements on those  
11 parcels substantially benefited by the proposed redevelopment  
12 project improvements. Upon adoption of the ordinances, the  
13 municipality shall forthwith transmit to the Department of  
14 Commerce and Economic Opportunity, the State Comptroller, and  
15 the county clerk of the county or counties within which the  
16 redevelopment project area is located a certified copy of the  
17 ordinances, a legal description of the redevelopment project  
18 area, a map of the redevelopment project area, identification  
19 of the year that the county clerk shall use for determining the  
20 total initial equalized assessed value of the redevelopment  
21 project area consistent with subsection (a) of Section  
22 11-74.6-40, and a list of the parcel or tax identification  
23 number of each parcel of property included in the redevelopment  
24 project area. On or after the effective date of this amendatory  
25 Act of the 97th General Assembly, the State Comptroller must  
26 post this documentation on the State Comptroller's official

1 website. This information must be posted no later than 45 days  
2 after the State Comptroller receives it from the municipality.  
3 Notwithstanding any other provision of law, no redevelopment  
4 project area may be designated on or after the effective date  
5 of this amendatory Act of the 97th General Assembly if, as of  
6 the effective date of the designation, the equalized assessed  
7 value of all property in the redevelopment project area plus  
8 the total current equalized assessed value of all property  
9 located in the municipality and subject to tax increment  
10 financing under this Division exceeds 25% of the total  
11 equalized assessed value of all property located in the  
12 municipality.

13 (b) Make and enter into all contracts necessary or  
14 incidental to the implementation and furtherance of its  
15 redevelopment plan and project.

16 (c) Within a redevelopment project area, acquire by  
17 purchase, donation, lease or eminent domain; own, convey,  
18 lease, mortgage or dispose of land and other property, real or  
19 personal, or rights or interests therein, and grant or acquire  
20 licenses, easements and options with respect to that property,  
21 all in the manner and at a price that the municipality  
22 determines is reasonably necessary to achieve the objectives of  
23 the redevelopment plan and project. No conveyance, lease,  
24 mortgage, disposition of land or other property owned by a  
25 municipality, or agreement relating to the development of the  
26 municipal property shall be made or executed except pursuant to

1 prior official action of the corporate authorities of the  
2 municipality. No conveyance, lease, mortgage, or other  
3 disposition of land owned by a municipality, and no agreement  
4 relating to the development of the municipal property, shall be  
5 made without making public disclosure of the terms and the  
6 disposition of all bids and proposals submitted to the  
7 municipality in connection therewith. The procedures for  
8 obtaining the bids and proposals shall provide reasonable  
9 opportunity for any person to submit alternative proposals or  
10 bids.

11 (d) Within a redevelopment project area, clear any area by  
12 demolition or removal of any existing buildings, structures,  
13 fixtures, utilities or improvements, and to clear and grade  
14 land.

15 (e) Within a redevelopment project area, renovate or  
16 rehabilitate or construct any structure or building, as  
17 permitted under this Law.

18 (f) Within or without a redevelopment project area,  
19 install, repair, construct, reconstruct or relocate streets,  
20 utilities and site improvements essential to the preparation of  
21 the redevelopment area for use in accordance with a  
22 redevelopment plan.

23 (g) Within a redevelopment project area, fix, charge and  
24 collect fees, rents and charges for the use of all or any part  
25 of any building or property owned or leased by it.

26 (h) Issue obligations as provided in this Act.



1           (i) Accept grants, guarantees and donations of property,  
2 labor, or other things of value from a public or private source  
3 for use within a project redevelopment area.

4           (j) Acquire and construct public facilities within a  
5 redevelopment project area, as permitted under this Law.

6           (k) Incur, pay or cause to be paid redevelopment project  
7 costs; provided, however, that on and after the effective date  
8 of this amendatory Act of the 91st General Assembly, no  
9 municipality shall incur redevelopment project costs (except  
10 for planning and other eligible costs authorized by municipal  
11 ordinance or resolution that are subsequently included in the  
12 redevelopment plan for the area and are incurred after the  
13 ordinance or resolution is adopted) that are not consistent  
14 with the program for accomplishing the objectives of the  
15 redevelopment plan as included in that plan and approved by the  
16 municipality until the municipality has amended the  
17 redevelopment plan as provided elsewhere in this Law. Any  
18 payments to be made by the municipality to redevelopers or  
19 other nongovernmental persons for redevelopment project costs  
20 incurred by such redeveloper or other nongovernmental person  
21 shall be made only pursuant to the prior official action of the  
22 municipality evidencing an intent to pay or cause to be paid  
23 such redevelopment project costs. A municipality is not  
24 required to obtain any right, title or interest in any real or  
25 personal property in order to pay redevelopment project costs  
26 associated with such property. The municipality shall adopt

1 such accounting procedures as may be necessary to determine  
2 that such redevelopment project costs are properly paid.

3 (l) Create a commission of not less than 5 or more than 15  
4 persons to be appointed by the mayor or president of the  
5 municipality with the consent of the majority of the governing  
6 board of the municipality. Members of a commission appointed  
7 after the effective date of this Law shall be appointed for  
8 initial terms of 1, 2, 3, 4 and 5 years, respectively, in  
9 numbers so that the terms of not more than 1/3 of all members  
10 expire in any one year. Their successors shall be appointed for  
11 a term of 5 years. The commission, subject to approval of the  
12 corporate authorities of the municipality, may exercise the  
13 powers enumerated in this Section. The commission shall also  
14 have the power to hold the public hearings required by this Act  
15 and make recommendations to the corporate authorities  
16 concerning the adoption of redevelopment plans, redevelopment  
17 projects and designation of redevelopment project areas.

18 (m) Make payment in lieu of all or a portion of real  
19 property taxes due to taxing districts. If payments in lieu of  
20 all or a portion of taxes are made to taxing districts, those  
21 payments shall be made to all districts within a redevelopment  
22 project area on a basis that is proportional to the current  
23 collection of revenue which each taxing district receives from  
24 real property in the redevelopment project area.

25 (n) Exercise any and all other powers necessary to  
26 effectuate the purposes of this Act.

1           (o) In conjunction with other municipalities, undertake  
2     and perform redevelopment plans and projects and utilize the  
3     provisions of the Act wherever they have contiguous  
4     redevelopment project areas or they determine to adopt tax  
5     increment allocation financing with respect to a redevelopment  
6     project area that includes contiguous real property within the  
7     boundaries of the municipalities, and, by agreement between  
8     participating municipalities, to issue obligations, separately  
9     or jointly, and expend revenues received under this Act for  
10    eligible expenses anywhere within contiguous redevelopment  
11    project areas or as otherwise permitted in the Act.

12          (p) Create an Industrial Jobs Recovery Advisory Committee  
13    of not more than 15 members to be appointed by the mayor or  
14    president of the municipality with the consent of the majority  
15    of the governing board of the municipality. The members of that  
16    Committee shall be appointed for initial terms of 1, 2, and 3  
17    years respectively, in numbers so that the terms of not more  
18    than 1/3 of all members expire in any one year. Their  
19    successors shall be appointed for a term of 3 years. The  
20    Committee shall have none of the powers enumerated in this  
21    Section. The Committee shall serve in an advisory capacity  
22    only. The Committee may advise the governing board of the  
23    municipality and other municipal officials regarding  
24    development issues and opportunities within the redevelopment  
25    project area. The Committee may also promote and publicize  
26    development opportunities in the redevelopment project area.

1 (q) If a redevelopment project has not been initiated in a  
2 redevelopment project area within 5 years after the area was  
3 designated by ordinance under subsection (a), the municipality  
4 shall adopt an ordinance repealing the area's designation as a  
5 redevelopment project area. Initiation of a redevelopment  
6 project shall be evidenced by either a signed redevelopment  
7 agreement or expenditures on eligible redevelopment project  
8 costs associated with a redevelopment project.

9 (r) Within a redevelopment planning area, transfer or loan  
10 tax increment revenues from one redevelopment project area to  
11 another redevelopment project area for expenditure on eligible  
12 costs in the receiving area.

13 (s) Use tax increment revenue produced in a redevelopment  
14 project area created under this Law by transferring or loaning  
15 such revenues to a redevelopment project area created under the  
16 Tax Increment Allocation Redevelopment Act that is either  
17 contiguous to, or separated only by a public right of way from,  
18 the redevelopment project area that initially produced and  
19 received those revenues. On and after the effective date of  
20 this amendatory Act of the 97th General Assembly, revenues used  
21 pursuant to this subsection shall be used only for the mutual  
22 benefit of the redevelopment project area that the revenues  
23 were received from and the redevelopment project area to which  
24 the revenues were sent. A redevelopment project area that uses  
25 revenues pursuant to this subsection may not transfer revenues  
26 to another redevelopment project area before repaying the

1 redevelopment project area from which the revenues were  
2 received.

3 (Source: P.A. 90-258, eff. 7-30-97; 91-474, eff. 11-1-99.)

4 (65 ILCS 5/11-74.6-22)

5 Sec. 11-74.6-22. Adoption of ordinance; requirements;  
6 changes.

7 (a) Before adoption of an ordinance proposing the  
8 designation of a redevelopment planning area or a redevelopment  
9 project area, or both, or approving a redevelopment plan or  
10 redevelopment project, the municipality or commission  
11 designated pursuant to subsection (1) of Section 11-74.6-15  
12 shall fix by ordinance or resolution a time and place for  
13 public hearing. Prior to the adoption of the ordinance or  
14 resolution establishing the time and place for the public  
15 hearing, the municipality shall make available for public  
16 inspection a redevelopment plan or a report that provides in  
17 sufficient detail, the basis for the eligibility of the  
18 redevelopment project area. The report along with the name of a  
19 person to contact for further information shall be sent to the  
20 affected taxing district by certified mail within a reasonable  
21 time following the adoption of the ordinance or resolution  
22 establishing the time and place for the public hearing.

23 At the public hearing any interested person or affected  
24 taxing district may file with the municipal clerk written  
25 objections to the ordinance and may be heard orally on any

1 issues that are the subject of the hearing. The municipality  
2 shall hear and determine all alternate proposals or bids for  
3 any proposed conveyance, lease, mortgage or other disposition  
4 of land and all protests and objections at the hearing and the  
5 hearing may be adjourned to another date without further notice  
6 other than a motion to be entered upon the minutes fixing the  
7 time and place of the later hearing. At the public hearing or  
8 at any time prior to the adoption by the municipality of an  
9 ordinance approving a redevelopment plan, the municipality may  
10 make changes in the redevelopment plan. Changes which (1) add  
11 additional parcels of property to the proposed redevelopment  
12 project area, other than parcels to be removed from a  
13 redevelopment project area for the purpose of inclusion in  
14 another redevelopment project area, (2) substantially affect  
15 the general land uses proposed in the redevelopment plan, or  
16 (3) substantially change the nature of or extend the life of  
17 the redevelopment project shall be made only after the  
18 municipality gives notice, convenes a joint review board, and  
19 conducts a public hearing pursuant to the procedures set forth  
20 in this Section and in Section 11-74.6-25. Changes which do not  
21 (1) add additional parcels of property to the proposed  
22 redevelopment project area, other than parcels to be removed  
23 from a redevelopment project area for the purpose of inclusion  
24 in another redevelopment project area, (2) substantially  
25 affect the general land uses proposed in the redevelopment  
26 plan, or (3) substantially change the nature of or extend the

1 life of the redevelopment project may be made without further  
2 hearing, provided that the municipality shall give notice of  
3 any such changes by mail to each affected taxing district and  
4 by publication in a newspaper of general circulation within the  
5 affected taxing district. Such notice by mail and by  
6 publication shall each occur not later than 10 days following  
7 the adoption by ordinance of such changes.

8 (b) Before adoption of an ordinance proposing the  
9 designation of a redevelopment planning area or a redevelopment  
10 project area, or both, or amending the boundaries of an  
11 existing redevelopment project area or redevelopment planning  
12 area, or both, the municipality shall convene a joint review  
13 board to consider the proposal. The board shall consist of a  
14 representative selected by each taxing district that has  
15 authority to levy real property taxes on the property within  
16 the proposed redevelopment project area and that has at least  
17 5% of its total equalized assessed value located within the  
18 proposed redevelopment project area, a representative selected  
19 by the municipality and a public member. The public member and  
20 the board's chairperson shall be selected by a majority of  
21 other board members.

22 All board members shall be appointed and the first board  
23 meeting held within 14 days following the notice by the  
24 municipality to all the taxing districts as required by  
25 subsection (c) of Section 11-74.6-25. The notice shall also  
26 advise the taxing bodies represented on the joint review board

1 of the time and place of the first meeting of the board.  
2 Additional meetings of the board shall be held upon the call of  
3 any 2 members. The municipality seeking designation of the  
4 redevelopment project area may provide administrative support  
5 to the board.

6 The board shall review the public record, planning  
7 documents and proposed ordinances approving the redevelopment  
8 plan and project to be adopted by the municipality. As part of  
9 its deliberations, the board may hold additional hearings on  
10 the proposal. A board's recommendation, if any, shall be a  
11 written recommendation adopted by a majority vote of the board  
12 and submitted to the municipality within 30 days after the  
13 board convenes. A board's recommendation shall be binding upon  
14 the municipality. Failure of the board to submit its  
15 recommendation on a timely basis shall not be cause to delay  
16 the public hearing or the process of establishing or amending  
17 the redevelopment project area. The board's recommendation on  
18 the proposal shall be based upon the area satisfying the  
19 applicable eligibility criteria defined in Section 11-74.6-10  
20 and whether there is a basis for the municipal findings set  
21 forth in the redevelopment plan as required by this Act. If the  
22 board does not file a recommendation it shall be presumed that  
23 the board has found that the redevelopment project area  
24 satisfies the eligibility criteria.

25 (c) After a municipality has by ordinance approved a  
26 redevelopment plan and designated a redevelopment planning



1 area or a redevelopment project area, or both, the plan may be  
2 amended and additional properties may be added to the  
3 redevelopment project area only as herein provided. Amendments  
4 which (1) add additional parcels of property to the proposed  
5 redevelopment project area, (2) substantially affect the  
6 general land uses proposed in the redevelopment plan, (3)  
7 substantially change the nature of the redevelopment project,  
8 (4) increase the total estimated redevelopment project costs  
9 set out in the redevelopment plan by more than 5% after  
10 adjustment for inflation from the date the plan was adopted, or  
11 (5) add additional redevelopment project costs to the itemized  
12 list of redevelopment project costs set out in the  
13 redevelopment plan shall be made only after the municipality  
14 gives notice, convenes a joint review board, and conducts a  
15 public hearing pursuant to the procedures set forth in this  
16 Section and in Section 11-74.6-25. Changes which do not (1) add  
17 additional parcels of property to the proposed redevelopment  
18 project area, (2) substantially affect the general land uses  
19 proposed in the redevelopment plan, (3) substantially change  
20 the nature of the redevelopment project, (4) increase the total  
21 estimated redevelopment project cost set out in the  
22 redevelopment plan by more than 5% after adjustment for  
23 inflation from the date the plan was adopted, or (5) add  
24 additional redevelopment project costs to the itemized list of  
25 redevelopment project costs set out in the redevelopment plan  
26 may be made without further hearing, provided that the

1 municipality shall give notice of any such changes by mail to  
2 each affected taxing district and by publication in a newspaper  
3 of general circulation within the affected taxing district.  
4 Such notice by mail and by publication shall each occur not  
5 later than 10 days following the adoption by ordinance of such  
6 changes.

7 (d) After the effective date of this amendatory Act of the  
8 91st General Assembly, a municipality shall submit in an  
9 electronic format the following information for each  
10 redevelopment project area (i) to the State Comptroller under  
11 Section 8-8-3.5 of the Illinois Municipal Code and (ii) to all  
12 taxing districts overlapping the redevelopment project area no  
13 later than 180 days after the close of each municipal fiscal  
14 year or as soon thereafter as the audited financial statements  
15 become available and, in any case, shall be submitted before  
16 the annual meeting of the joint review board to each of the  
17 taxing districts that overlap the redevelopment project area:

18 (1) Any amendments to the redevelopment plan, or the  
19 redevelopment project area.

20 (1.5) A list of the redevelopment project areas  
21 administered by the municipality and, if applicable, the  
22 date each redevelopment project area was designated or  
23 terminated by the municipality.

24 (2) Audited financial statements of the special tax  
25 allocation fund once a cumulative total of \$100,000 of tax  
26 increment revenues has been deposited in the fund.

1           (3) Certification of the Chief Executive Officer of the  
2           municipality that the municipality has complied with all of  
3           the requirements of this Act during the preceding fiscal  
4           year.

5           (4) An opinion of legal counsel that the municipality  
6           is in compliance with this Act.

7           (5) An analysis of the special tax allocation fund  
8           which sets forth:

9                   (A) the balance in the special tax allocation fund  
10                  at the beginning of the fiscal year;

11                  (B) all amounts deposited in the special tax  
12                  allocation fund by source, including any amounts  
13                  received from another redevelopment project area;

14                  (C) an itemized list of all expenditures from the  
15                  special tax allocation fund by category of permissible  
16                  redevelopment project cost, including any amounts  
17                  transferred to another redevelopment project area; and

18                  (D) the balance in the special tax allocation fund  
19                  at the end of the fiscal year including a breakdown of  
20                  that balance by source and a breakdown of that balance  
21                  identifying any portion of the balance that is  
22                  required, pledged, earmarked, or otherwise designated  
23                  for payment of or securing of obligations and  
24                  anticipated redevelopment project costs. Any portion  
25                  of such ending balance that has not been identified or  
26                  is not identified as being required, pledged,

1           earmarked, or otherwise designated for payment of or  
2           securing of obligations or anticipated redevelopment  
3           project costs shall be designated as surplus as set  
4           forth in Section 11-74.6-30 hereof. Beginning on  
5           January 1, 2012, any portion of the ending balance that  
6           is not required, pledged, earmarked, or otherwise  
7           designated for payment of or securing of obligations  
8           must be designated as surplus after 10 years,  
9           notwithstanding that it has been identified for use for  
10          other anticipated redevelopment project costs.

11          (6) A description of all property purchased by the  
12          municipality within the redevelopment project area  
13          including:

14                (A) Street address.

15                (B) Approximate size or description of property.

16                (C) Purchase price.

17                (D) Seller of property.

18          (7) A statement setting forth all activities  
19          undertaken in furtherance of the objectives of the  
20          redevelopment plan, including:

21                (A) Any project implemented in the preceding  
22                fiscal year.

23                (B) A description of the redevelopment activities  
24                undertaken.

25                (C) A description of any agreements entered into by  
26                the municipality with regard to the disposition or

1            redevelopment of any property within the redevelopment  
2            project area.

3            (D) Additional information on the use of all funds  
4            received under this Division and steps taken by the  
5            municipality to achieve the objectives of the  
6            redevelopment plan.

7            (E) Information regarding contracts that the  
8            municipality's tax increment advisors or consultants  
9            have entered into with entities or persons that have  
10           received, or are receiving, payments financed by tax  
11           increment revenues produced by the same redevelopment  
12           project area.

13           (F) Any reports submitted to the municipality by  
14           the joint review board.

15           (G) A review of public and, to the extent possible,  
16           private investment actually undertaken to date after  
17           the effective date of this amendatory Act of the 91st  
18           General Assembly and estimated to be undertaken during  
19           the following year. This review shall, on a  
20           project-by-project basis, set forth the estimated  
21           amounts of public and private investment incurred  
22           after the effective date of this amendatory Act of the  
23           91st General Assembly and provide the ratio of private  
24           investment to public investment to the date of the  
25           report and as estimated to the completion of the  
26           redevelopment project.

1           (8) With regard to any obligations issued by the  
2 municipality:

3                 (A) copies of any official statements; and

4                 (B) an analysis prepared by financial advisor or  
5 underwriter setting forth: (i) nature and term of  
6 obligation; and (ii) projected debt service including  
7 required reserves and debt coverage.

8           (9) For special tax allocation funds that have received  
9 cumulative deposits of incremental tax revenues of  
10 \$100,000 or more, a certified audit report reviewing  
11 compliance with this Act performed by an independent public  
12 accountant certified and licensed by the authority of the  
13 State of Illinois. The financial portion of the audit must  
14 be conducted in accordance with Standards for Audits of  
15 Governmental Organizations, Programs, Activities, and  
16 Functions adopted by the Comptroller General of the United  
17 States (1981), as amended, or the standards specified by  
18 Section 8-8-5 of the Illinois Municipal Auditing Law of the  
19 Illinois Municipal Code. The audit report shall contain a  
20 letter from the independent certified public accountant  
21 indicating compliance or noncompliance with the  
22 requirements of subsection (o) of Section 11-74.6-10.

23           (10) A list of all intergovernmental agreements in  
24 effect during the fiscal year to which the municipality is  
25 a party and an accounting of any moneys transferred or  
26 received by the municipality during that fiscal year

1       pursuant to those intergovernmental agreements.

2       (11) A detailed list of jobs created or retained during  
3       the fiscal year, both temporary and permanent, along with a  
4       description of whether the jobs are in the public or  
5       private sector, to the extent that the information is  
6       required to be reported to the municipality pursuant to a  
7       redevelopment agreement or other written agreement.

8       (e) The joint review board shall meet annually 180 days  
9       after the close of the municipal fiscal year or as soon as the  
10      redevelopment project audit for that fiscal year becomes  
11      available to review the effectiveness and status of the  
12      redevelopment project area up to that date.

13      (f) On and after July 1, 2011, the State Comptroller must  
14      post on the State Comptroller's official website the  
15      information submitted by a municipality pursuant to subsection  
16      (d) of this Section. The information must be posted no later  
17      than 45 days after the State Comptroller receives the  
18      information from the municipality. The State Comptroller must  
19      also post a list of the municipalities not in compliance with  
20      the reporting requirements set forth in subsection (d) of this  
21      Section.

22      (g) The State Comptroller may charge a municipality an  
23      annual fee for the Comptroller's costs related to the  
24      requirements of this Law. Any fee charged may be assessed upon  
25      any amount identified as surplus in the municipality's special  
26      tax allocation fund prior to its reallocation to taxing

1 districts.

2 (Source: P.A. 91-474, eff. 11-1-99; 91-900, eff. 7-6-00.)

3 Section 20. The School Code is amended by changing Section  
4 18-8.05 as follows:

5 (105 ILCS 5/18-8.05)

6 Sec. 18-8.05. Basis for apportionment of general State  
7 financial aid and supplemental general State aid to the common  
8 schools for the 1998-1999 and subsequent school years.

9 (A) General Provisions.

10 (1) The provisions of this Section apply to the 1998-1999  
11 and subsequent school years. The system of general State  
12 financial aid provided for in this Section is designed to  
13 assure that, through a combination of State financial aid and  
14 required local resources, the financial support provided each  
15 pupil in Average Daily Attendance equals or exceeds a  
16 prescribed per pupil Foundation Level. This formula approach  
17 imputes a level of per pupil Available Local Resources and  
18 provides for the basis to calculate a per pupil level of  
19 general State financial aid that, when added to Available Local  
20 Resources, equals or exceeds the Foundation Level. The amount  
21 of per pupil general State financial aid for school districts,  
22 in general, varies in inverse relation to Available Local  
23 Resources. Per pupil amounts are based upon each school



1 district's Average Daily Attendance as that term is defined in  
2 this Section.

3 (2) In addition to general State financial aid, school  
4 districts with specified levels or concentrations of pupils  
5 from low income households are eligible to receive supplemental  
6 general State financial aid grants as provided pursuant to  
7 subsection (H). The supplemental State aid grants provided for  
8 school districts under subsection (H) shall be appropriated for  
9 distribution to school districts as part of the same line item  
10 in which the general State financial aid of school districts is  
11 appropriated under this Section.

12 (3) To receive financial assistance under this Section,  
13 school districts are required to file claims with the State  
14 Board of Education, subject to the following requirements:

15 (a) Any school district which fails for any given  
16 school year to maintain school as required by law, or to  
17 maintain a recognized school is not eligible to file for  
18 such school year any claim upon the Common School Fund. In  
19 case of nonrecognition of one or more attendance centers in  
20 a school district otherwise operating recognized schools,  
21 the claim of the district shall be reduced in the  
22 proportion which the Average Daily Attendance in the  
23 attendance center or centers bear to the Average Daily  
24 Attendance in the school district. A "recognized school"  
25 means any public school which meets the standards as  
26 established for recognition by the State Board of

1 Education. A school district or attendance center not  
2 having recognition status at the end of a school term is  
3 entitled to receive State aid payments due upon a legal  
4 claim which was filed while it was recognized.

5 (b) School district claims filed under this Section are  
6 subject to Sections 18-9 and 18-12, except as otherwise  
7 provided in this Section.

8 (c) If a school district operates a full year school  
9 under Section 10-19.1, the general State aid to the school  
10 district shall be determined by the State Board of  
11 Education in accordance with this Section as near as may be  
12 applicable.

13 (d) (Blank).

14 (4) Except as provided in subsections (H) and (L), the  
15 board of any district receiving any of the grants provided for  
16 in this Section may apply those funds to any fund so received  
17 for which that board is authorized to make expenditures by law.

18 School districts are not required to exert a minimum  
19 Operating Tax Rate in order to qualify for assistance under  
20 this Section.

21 (5) As used in this Section the following terms, when  
22 capitalized, shall have the meaning ascribed herein:

23 (a) "Average Daily Attendance": A count of pupil  
24 attendance in school, averaged as provided for in  
25 subsection (C) and utilized in deriving per pupil financial  
26 support levels.

1           (b) "Available Local Resources": A computation of  
2           local financial support, calculated on the basis of Average  
3           Daily Attendance and derived as provided pursuant to  
4           subsection (D).

5           (c) "Corporate Personal Property Replacement Taxes":  
6           Funds paid to local school districts pursuant to "An Act in  
7           relation to the abolition of ad valorem personal property  
8           tax and the replacement of revenues lost thereby, and  
9           amending and repealing certain Acts and parts of Acts in  
10          connection therewith", certified August 14, 1979, as  
11          amended (Public Act 81-1st S.S.-1).

12          (d) "Foundation Level": A prescribed level of per pupil  
13          financial support as provided for in subsection (B).

14          (e) "Operating Tax Rate": All school district property  
15          taxes extended for all purposes, except Bond and Interest,  
16          Summer School, Rent, Capital Improvement, and Vocational  
17          Education Building purposes.

18       (B) Foundation Level.

19           (1) The Foundation Level is a figure established by the  
20           State representing the minimum level of per pupil financial  
21           support that should be available to provide for the basic  
22           education of each pupil in Average Daily Attendance. As set  
23           forth in this Section, each school district is assumed to exert  
24           a sufficient local taxing effort such that, in combination with  
25           the aggregate of general State financial aid provided the

1 district, an aggregate of State and local resources are  
2 available to meet the basic education needs of pupils in the  
3 district.

4 (2) For the 1998-1999 school year, the Foundation Level of  
5 support is \$4,225. For the 1999-2000 school year, the  
6 Foundation Level of support is \$4,325. For the 2000-2001 school  
7 year, the Foundation Level of support is \$4,425. For the  
8 2001-2002 school year and 2002-2003 school year, the Foundation  
9 Level of support is \$4,560. For the 2003-2004 school year, the  
10 Foundation Level of support is \$4,810. For the 2004-2005 school  
11 year, the Foundation Level of support is \$4,964. For the  
12 2005-2006 school year, the Foundation Level of support is  
13 \$5,164. For the 2006-2007 school year, the Foundation Level of  
14 support is \$5,334. For the 2007-2008 school year, the  
15 Foundation Level of support is \$5,734. For the 2008-2009 school  
16 year, the Foundation Level of support is \$5,959.

17 (3) For the 2009-2010 school year and each school year  
18 thereafter, the Foundation Level of support is \$6,119 or such  
19 greater amount as may be established by law by the General  
20 Assembly.

21 (C) Average Daily Attendance.

22 (1) For purposes of calculating general State aid pursuant  
23 to subsection (E), an Average Daily Attendance figure shall be  
24 utilized. The Average Daily Attendance figure for formula  
25 calculation purposes shall be the monthly average of the actual

1 number of pupils in attendance of each school district, as  
2 further averaged for the best 3 months of pupil attendance for  
3 each school district. In compiling the figures for the number  
4 of pupils in attendance, school districts and the State Board  
5 of Education shall, for purposes of general State aid funding,  
6 conform attendance figures to the requirements of subsection  
7 (F).

8 (2) The Average Daily Attendance figures utilized in  
9 subsection (E) shall be the requisite attendance data for the  
10 school year immediately preceding the school year for which  
11 general State aid is being calculated or the average of the  
12 attendance data for the 3 preceding school years, whichever is  
13 greater. The Average Daily Attendance figures utilized in  
14 subsection (H) shall be the requisite attendance data for the  
15 school year immediately preceding the school year for which  
16 general State aid is being calculated.

17 (D) Available Local Resources.

18 (1) For purposes of calculating general State aid pursuant  
19 to subsection (E), a representation of Available Local  
20 Resources per pupil, as that term is defined and determined in  
21 this subsection, shall be utilized. Available Local Resources  
22 per pupil shall include a calculated dollar amount representing  
23 local school district revenues from local property taxes and  
24 from Corporate Personal Property Replacement Taxes, expressed  
25 on the basis of pupils in Average Daily Attendance. Calculation

1 of Available Local Resources shall exclude any tax amnesty  
2 funds received as a result of Public Act 93-26.

3 (2) In determining a school district's revenue from local  
4 property taxes, the State Board of Education shall utilize the  
5 equalized assessed valuation of all taxable property of each  
6 school district as of September 30 of the previous year. The  
7 equalized assessed valuation utilized shall be obtained and  
8 determined as provided in subsection (G).

9 (3) For school districts maintaining grades kindergarten  
10 through 12, local property tax revenues per pupil shall be  
11 calculated as (i) the product of the applicable equalized  
12 assessed valuation for the district multiplied by 3.00% plus  
13 (ii) any surplus received by the school district in the  
14 previous year from a special tax allocation fund, as provided  
15 by the Tax Increment Allocation Redevelopment Act or the  
16 Industrial Jobs Recovery Law, and divided by the district's  
17 Average Daily Attendance figure. For school districts  
18 maintaining grades kindergarten through 8, local property tax  
19 revenues per pupil shall be calculated as (i) the product of  
20 the applicable equalized assessed valuation for the district  
21 multiplied by 2.30% plus (ii) any surplus received by the  
22 school district in the previous year from a special tax  
23 allocation fund, as provided by the Tax Increment Allocation  
24 Redevelopment Act or the Industrial Jobs Recovery Law, and  
25 divided by the district's Average Daily Attendance figure. For  
26 school districts maintaining grades 9 through 12, local

1 property tax revenues per pupil shall be (i) the applicable  
2 equalized assessed valuation of the district multiplied by  
3 1.05% plus (ii) any surplus received by the school district in  
4 the previous year from a special tax allocation fund, as  
5 provided by the Tax Increment Allocation Redevelopment Act or  
6 the Industrial Jobs Recovery Law, and divided by the district's  
7 Average Daily Attendance figure.

8 For partial elementary unit districts created pursuant to  
9 Article 11E of this Code, local property tax revenues per pupil  
10 shall be calculated as (i) the product of the equalized  
11 assessed valuation for property within the partial elementary  
12 unit district for elementary purposes, as defined in Article  
13 11E of this Code, multiplied by 2.06% plus (ii) any surplus  
14 received by the school district in the previous year from a  
15 special tax allocation fund, as provided by the Tax Increment  
16 Allocation Redevelopment Act or the Industrial Jobs Recovery  
17 Law and divided by the district's Average Daily Attendance  
18 figure, plus (i) the product of the equalized assessed  
19 valuation for property within the partial elementary unit  
20 district for high school purposes, as defined in Article 11E of  
21 this Code, multiplied by 0.94% plus (ii) any surplus received  
22 by the school district in the previous year from a special tax  
23 allocation fund, as provided by the Tax Increment Allocation  
24 Redevelopment Act or the Industrial Jobs Recovery Law and  
25 divided by the district's Average Daily Attendance figure.

26 (4) The Corporate Personal Property Replacement Taxes paid

1 to each school district during the calendar year one year  
2 before the calendar year in which a school year begins, divided  
3 by the Average Daily Attendance figure for that district, shall  
4 be added to the local property tax revenues per pupil as  
5 derived by the application of the immediately preceding  
6 paragraph (3). The sum of these per pupil figures for each  
7 school district shall constitute Available Local Resources as  
8 that term is utilized in subsection (E) in the calculation of  
9 general State aid.

10 (E) Computation of General State Aid.

11 (1) For each school year, the amount of general State aid  
12 allotted to a school district shall be computed by the State  
13 Board of Education as provided in this subsection.

14 (2) For any school district for which Available Local  
15 Resources per pupil is less than the product of 0.93 times the  
16 Foundation Level, general State aid for that district shall be  
17 calculated as an amount equal to the Foundation Level minus  
18 Available Local Resources, multiplied by the Average Daily  
19 Attendance of the school district.

20 (3) For any school district for which Available Local  
21 Resources per pupil is equal to or greater than the product of  
22 0.93 times the Foundation Level and less than the product of  
23 1.75 times the Foundation Level, the general State aid per  
24 pupil shall be a decimal proportion of the Foundation Level  
25 derived using a linear algorithm. Under this linear algorithm,



1 the calculated general State aid per pupil shall decline in  
2 direct linear fashion from 0.07 times the Foundation Level for  
3 a school district with Available Local Resources equal to the  
4 product of 0.93 times the Foundation Level, to 0.05 times the  
5 Foundation Level for a school district with Available Local  
6 Resources equal to the product of 1.75 times the Foundation  
7 Level. The allocation of general State aid for school districts  
8 subject to this paragraph 3 shall be the calculated general  
9 State aid per pupil figure multiplied by the Average Daily  
10 Attendance of the school district.

11 (4) For any school district for which Available Local  
12 Resources per pupil equals or exceeds the product of 1.75 times  
13 the Foundation Level, the general State aid for the school  
14 district shall be calculated as the product of \$218 multiplied  
15 by the Average Daily Attendance of the school district.

16 (5) The amount of general State aid allocated to a school  
17 district for the 1999-2000 school year meeting the requirements  
18 set forth in paragraph (4) of subsection (G) shall be increased  
19 by an amount equal to the general State aid that would have  
20 been received by the district for the 1998-1999 school year by  
21 utilizing the Extension Limitation Equalized Assessed  
22 Valuation as calculated in paragraph (4) of subsection (G) less  
23 the general State aid allotted for the 1998-1999 school year.  
24 This amount shall be deemed a one time increase, and shall not  
25 affect any future general State aid allocations.

1 (F) Compilation of Average Daily Attendance.

2 (1) Each school district shall, by July 1 of each year,  
3 submit to the State Board of Education, on forms prescribed by  
4 the State Board of Education, attendance figures for the school  
5 year that began in the preceding calendar year. The attendance  
6 information so transmitted shall identify the average daily  
7 attendance figures for each month of the school year. Beginning  
8 with the general State aid claim form for the 2002-2003 school  
9 year, districts shall calculate Average Daily Attendance as  
10 provided in subdivisions (a), (b), and (c) of this paragraph  
11 (1).

12 (a) In districts that do not hold year-round classes,  
13 days of attendance in August shall be added to the month of  
14 September and any days of attendance in June shall be added  
15 to the month of May.

16 (b) In districts in which all buildings hold year-round  
17 classes, days of attendance in July and August shall be  
18 added to the month of September and any days of attendance  
19 in June shall be added to the month of May.

20 (c) In districts in which some buildings, but not all,  
21 hold year-round classes, for the non-year-round buildings,  
22 days of attendance in August shall be added to the month of  
23 September and any days of attendance in June shall be added  
24 to the month of May. The average daily attendance for the  
25 year-round buildings shall be computed as provided in  
26 subdivision (b) of this paragraph (1). To calculate the

1 Average Daily Attendance for the district, the average  
2 daily attendance for the year-round buildings shall be  
3 multiplied by the days in session for the non-year-round  
4 buildings for each month and added to the monthly  
5 attendance of the non-year-round buildings.

6 Except as otherwise provided in this Section, days of  
7 attendance by pupils shall be counted only for sessions of not  
8 less than 5 clock hours of school work per day under direct  
9 supervision of: (i) teachers, or (ii) non-teaching personnel or  
10 volunteer personnel when engaging in non-teaching duties and  
11 supervising in those instances specified in subsection (a) of  
12 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
13 of legal school age and in kindergarten and grades 1 through  
14 12.

15 Days of attendance by tuition pupils shall be accredited  
16 only to the districts that pay the tuition to a recognized  
17 school.

18 (2) Days of attendance by pupils of less than 5 clock hours  
19 of school shall be subject to the following provisions in the  
20 compilation of Average Daily Attendance.

21 (a) Pupils regularly enrolled in a public school for  
22 only a part of the school day may be counted on the basis  
23 of 1/6 day for every class hour of instruction of 40  
24 minutes or more attended pursuant to such enrollment,  
25 unless a pupil is enrolled in a block-schedule format of 80  
26 minutes or more of instruction, in which case the pupil may

1 be counted on the basis of the proportion of minutes of  
2 school work completed each day to the minimum number of  
3 minutes that school work is required to be held that day.

4 (b) Days of attendance may be less than 5 clock hours  
5 on the opening and closing of the school term, and upon the  
6 first day of pupil attendance, if preceded by a day or days  
7 utilized as an institute or teachers' workshop.

8 (c) A session of 4 or more clock hours may be counted  
9 as a day of attendance upon certification by the regional  
10 superintendent, and approved by the State Superintendent  
11 of Education to the extent that the district has been  
12 forced to use daily multiple sessions.

13 (d) A session of 3 or more clock hours may be counted  
14 as a day of attendance (1) when the remainder of the school  
15 day or at least 2 hours in the evening of that day is  
16 utilized for an in-service training program for teachers,  
17 up to a maximum of 5 days per school year, provided a  
18 district conducts an in-service training program for  
19 teachers in accordance with Section 10-22.39 of this Code;  
20 or, in lieu of 4 such days, 2 full days may be used, in  
21 which event each such day may be counted as a day required  
22 for a legal school calendar pursuant to Section 10-19 of  
23 this Code; (1.5) when, of the 5 days allowed under item  
24 (1), a maximum of 4 days are used for parent-teacher  
25 conferences, or, in lieu of 4 such days, 2 full days are  
26 used, in which case each such day may be counted as a

1 calendar day required under Section 10-19 of this Code,  
2 provided that the full-day, parent-teacher conference  
3 consists of (i) a minimum of 5 clock hours of  
4 parent-teacher conferences, (ii) both a minimum of 2 clock  
5 hours of parent-teacher conferences held in the evening  
6 following a full day of student attendance, as specified in  
7 subsection (F)(1)(c), and a minimum of 3 clock hours of  
8 parent-teacher conferences held on the day immediately  
9 following evening parent-teacher conferences, or (iii)  
10 multiple parent-teacher conferences held in the evenings  
11 following full days of student attendance, as specified in  
12 subsection (F)(1)(c), in which the time used for the  
13 parent-teacher conferences is equivalent to a minimum of 5  
14 clock hours; and (2) when days in addition to those  
15 provided in items (1) and (1.5) are scheduled by a school  
16 pursuant to its school improvement plan adopted under  
17 Article 34 or its revised or amended school improvement  
18 plan adopted under Article 2, provided that (i) such  
19 sessions of 3 or more clock hours are scheduled to occur at  
20 regular intervals, (ii) the remainder of the school days in  
21 which such sessions occur are utilized for in-service  
22 training programs or other staff development activities  
23 for teachers, and (iii) a sufficient number of minutes of  
24 school work under the direct supervision of teachers are  
25 added to the school days between such regularly scheduled  
26 sessions to accumulate not less than the number of minutes

1 by which such sessions of 3 or more clock hours fall short  
2 of 5 clock hours. Any full days used for the purposes of  
3 this paragraph shall not be considered for computing  
4 average daily attendance. Days scheduled for in-service  
5 training programs, staff development activities, or  
6 parent-teacher conferences may be scheduled separately for  
7 different grade levels and different attendance centers of  
8 the district.

9 (e) A session of not less than one clock hour of  
10 teaching hospitalized or homebound pupils on-site or by  
11 telephone to the classroom may be counted as 1/2 day of  
12 attendance, however these pupils must receive 4 or more  
13 clock hours of instruction to be counted for a full day of  
14 attendance.

15 (f) A session of at least 4 clock hours may be counted  
16 as a day of attendance for first grade pupils, and pupils  
17 in full day kindergartens, and a session of 2 or more hours  
18 may be counted as 1/2 day of attendance by pupils in  
19 kindergartens which provide only 1/2 day of attendance.

20 (g) For children with disabilities who are below the  
21 age of 6 years and who cannot attend 2 or more clock hours  
22 because of their disability or immaturity, a session of not  
23 less than one clock hour may be counted as 1/2 day of  
24 attendance; however for such children whose educational  
25 needs so require a session of 4 or more clock hours may be  
26 counted as a full day of attendance.

1           (h) A recognized kindergarten which provides for only  
2           1/2 day of attendance by each pupil shall not have more  
3           than 1/2 day of attendance counted in any one day. However,  
4           kindergartens may count 2 1/2 days of attendance in any 5  
5           consecutive school days. When a pupil attends such a  
6           kindergarten for 2 half days on any one school day, the  
7           pupil shall have the following day as a day absent from  
8           school, unless the school district obtains permission in  
9           writing from the State Superintendent of Education.  
10          Attendance at kindergartens which provide for a full day of  
11          attendance by each pupil shall be counted the same as  
12          attendance by first grade pupils. Only the first year of  
13          attendance in one kindergarten shall be counted, except in  
14          case of children who entered the kindergarten in their  
15          fifth year whose educational development requires a second  
16          year of kindergarten as determined under the rules and  
17          regulations of the State Board of Education.

18          (i) On the days when the Prairie State Achievement  
19          Examination is administered under subsection (c) of  
20          Section 2-3.64 of this Code, the day of attendance for a  
21          pupil whose school day must be shortened to accommodate  
22          required testing procedures may be less than 5 clock hours  
23          and shall be counted towards the 176 days of actual pupil  
24          attendance required under Section 10-19 of this Code,  
25          provided that a sufficient number of minutes of school work  
26          in excess of 5 clock hours are first completed on other

1 school days to compensate for the loss of school work on  
2 the examination days.

3 (G) Equalized Assessed Valuation Data.

4 (1) For purposes of the calculation of Available Local  
5 Resources required pursuant to subsection (D), the State Board  
6 of Education shall secure from the Department of Revenue the  
7 value as equalized or assessed by the Department of Revenue of  
8 all taxable property of every school district, together with  
9 (i) the applicable tax rate used in extending taxes for the  
10 funds of the district as of September 30 of the previous year  
11 and (ii) the limiting rate for all school districts subject to  
12 property tax extension limitations as imposed under the  
13 Property Tax Extension Limitation Law.

14 The Department of Revenue shall add to the equalized  
15 assessed value of all taxable property of each school district  
16 situated entirely or partially within a county that is or was  
17 subject to the provisions of Section 15-176 or 15-177 of the  
18 Property Tax Code (a) an amount equal to the total amount by  
19 which the homestead exemption allowed under Section 15-176 or  
20 15-177 of the Property Tax Code for real property situated in  
21 that school district exceeds the total amount that would have  
22 been allowed in that school district if the maximum reduction  
23 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in  
24 all other counties in tax year 2003 or (ii) \$5,000 in all  
25 counties in tax year 2004 and thereafter and (b) an amount



1 equal to the aggregate amount for the taxable year of all  
2 additional exemptions under Section 15-175 of the Property Tax  
3 Code for owners with a household income of \$30,000 or less. The  
4 county clerk of any county that is or was subject to the  
5 provisions of Section 15-176 or 15-177 of the Property Tax Code  
6 shall annually calculate and certify to the Department of  
7 Revenue for each school district all homestead exemption  
8 amounts under Section 15-176 or 15-177 of the Property Tax Code  
9 and all amounts of additional exemptions under Section 15-175  
10 of the Property Tax Code for owners with a household income of  
11 \$30,000 or less. It is the intent of this paragraph that if the  
12 general homestead exemption for a parcel of property is  
13 determined under Section 15-176 or 15-177 of the Property Tax  
14 Code rather than Section 15-175, then the calculation of  
15 Available Local Resources shall not be affected by the  
16 difference, if any, between the amount of the general homestead  
17 exemption allowed for that parcel of property under Section  
18 15-176 or 15-177 of the Property Tax Code and the amount that  
19 would have been allowed had the general homestead exemption for  
20 that parcel of property been determined under Section 15-175 of  
21 the Property Tax Code. It is further the intent of this  
22 paragraph that if additional exemptions are allowed under  
23 Section 15-175 of the Property Tax Code for owners with a  
24 household income of less than \$30,000, then the calculation of  
25 Available Local Resources shall not be affected by the  
26 difference, if any, because of those additional exemptions.

1        This equalized assessed valuation, as adjusted further by  
2        the requirements of this subsection, shall be utilized in the  
3        calculation of Available Local Resources.

4        (2) The equalized assessed valuation in paragraph (1) shall  
5        be adjusted, as applicable, in the following manner:

6            (a) For the purposes of calculating State aid under  
7            this Section, with respect to any part of a school district  
8            within a redevelopment project area in respect to which a  
9            municipality has adopted tax increment allocation  
10          financing pursuant to the Tax Increment Allocation  
11          Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
12          of the Illinois Municipal Code or the Industrial Jobs  
13          Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
14          Illinois Municipal Code, no part of the current equalized  
15          assessed valuation of real property located in any such  
16          project area which is attributable to an increase above the  
17          total initial equalized assessed valuation of such  
18          property shall be used as part of the equalized assessed  
19          valuation of the district, until such time as all  
20          redevelopment project costs have been paid, as provided in  
21          Section 11-74.4-8 of the Tax Increment Allocation  
22          Redevelopment Act or in Section 11-74.6-35 of the  
23          Industrial Jobs Recovery Law. For the purpose of the  
24          equalized assessed valuation of the district, the total  
25          initial equalized assessed valuation or the current  
26          equalized assessed valuation, whichever is lower, shall be

1       used until such time as all redevelopment project costs  
2       have been paid.

3       (b) The real property equalized assessed valuation for  
4       a school district shall be adjusted by subtracting from the  
5       real property value as equalized or assessed by the  
6       Department of Revenue for the district an amount computed  
7       by dividing the amount of any abatement of taxes under  
8       Section 18-170 of the Property Tax Code by 3.00% for a  
9       district maintaining grades kindergarten through 12, by  
10      2.30% for a district maintaining grades kindergarten  
11      through 8, or by 1.05% for a district maintaining grades 9  
12      through 12 and adjusted by an amount computed by dividing  
13      the amount of any abatement of taxes under subsection (a)  
14      of Section 18-165 of the Property Tax Code by the same  
15      percentage rates for district type as specified in this  
16      subparagraph (b).

17      (3) For the 1999-2000 school year and each school year  
18      thereafter, if a school district meets all of the criteria of  
19      this subsection (G) (3), the school district's Available Local  
20      Resources shall be calculated under subsection (D) using the  
21      district's Extension Limitation Equalized Assessed Valuation  
22      as calculated under this subsection (G) (3).

23      For purposes of this subsection (G) (3) the following terms  
24      shall have the following meanings:

25              "Budget Year": The school year for which general State  
26      aid is calculated and awarded under subsection (E).

1           "Base Tax Year": The property tax levy year used to  
2 calculate the Budget Year allocation of general State aid.

3           "Preceding Tax Year": The property tax levy year  
4 immediately preceding the Base Tax Year.

5           "Base Tax Year's Tax Extension": The product of the  
6 equalized assessed valuation utilized by the County Clerk  
7 in the Base Tax Year multiplied by the limiting rate as  
8 calculated by the County Clerk and defined in the Property  
9 Tax Extension Limitation Law.

10          "Preceding Tax Year's Tax Extension": The product of  
11 the equalized assessed valuation utilized by the County  
12 Clerk in the Preceding Tax Year multiplied by the Operating  
13 Tax Rate as defined in subsection (A).

14          "Extension Limitation Ratio": A numerical ratio,  
15 certified by the County Clerk, in which the numerator is  
16 the Base Tax Year's Tax Extension and the denominator is  
17 the Preceding Tax Year's Tax Extension.

18          "Operating Tax Rate": The operating tax rate as defined  
19 in subsection (A).

20          If a school district is subject to property tax extension  
21 limitations as imposed under the Property Tax Extension  
22 Limitation Law, the State Board of Education shall calculate  
23 the Extension Limitation Equalized Assessed Valuation of that  
24 district. For the 1999-2000 school year, the Extension  
25 Limitation Equalized Assessed Valuation of a school district as  
26 calculated by the State Board of Education shall be equal to

1 the product of the district's 1996 Equalized Assessed Valuation  
2 and the district's Extension Limitation Ratio. Except as  
3 otherwise provided in this paragraph for a school district that  
4 has approved or does approve an increase in its limiting rate,  
5 for the 2000-2001 school year and each school year thereafter,  
6 the Extension Limitation Equalized Assessed Valuation of a  
7 school district as calculated by the State Board of Education  
8 shall be equal to the product of the Equalized Assessed  
9 Valuation last used in the calculation of general State aid and  
10 the district's Extension Limitation Ratio. If the Extension  
11 Limitation Equalized Assessed Valuation of a school district as  
12 calculated under this subsection (G)(3) is less than the  
13 district's equalized assessed valuation as calculated pursuant  
14 to subsections (G)(1) and (G)(2), then for purposes of  
15 calculating the district's general State aid for the Budget  
16 Year pursuant to subsection (E), that Extension Limitation  
17 Equalized Assessed Valuation shall be utilized to calculate the  
18 district's Available Local Resources under subsection (D). For  
19 the 2009-2010 school year and each school year thereafter, if a  
20 school district has approved or does approve an increase in its  
21 limiting rate, pursuant to Section 18-190 of the Property Tax  
22 Code, affecting the Base Tax Year, the Extension Limitation  
23 Equalized Assessed Valuation of the school district, as  
24 calculated by the State Board of Education, shall be equal to  
25 the product of the Equalized Assessed Valuation last used in  
26 the calculation of general State aid times an amount equal to

1 one plus the percentage increase, if any, in the Consumer Price  
2 Index for all Urban Consumers for all items published by the  
3 United States Department of Labor for the 12-month calendar  
4 year preceding the Base Tax Year, plus the Equalized Assessed  
5 Valuation of new property, annexed property, and recovered tax  
6 increment value and minus the Equalized Assessed Valuation of  
7 disconnected property. New property and recovered tax  
8 increment value shall have the meanings set forth in the  
9 Property Tax Extension Limitation Law.

10 Partial elementary unit districts created in accordance  
11 with Article 11E of this Code shall not be eligible for the  
12 adjustment in this subsection (G)(3) until the fifth year  
13 following the effective date of the reorganization.

14 (3.5) For the 2010-2011 school year and each school year  
15 thereafter, if a school district's boundaries span multiple  
16 counties, then the Department of Revenue shall send to the  
17 State Board of Education, for the purpose of calculating  
18 general State aid, the limiting rate and individual rates by  
19 purpose for the county that contains the majority of the school  
20 district's Equalized Assessed Valuation.

21 (4) For the purposes of calculating general State aid for  
22 the 1999-2000 school year only, if a school district  
23 experienced a triennial reassessment on the equalized assessed  
24 valuation used in calculating its general State financial aid  
25 apportionment for the 1998-1999 school year, the State Board of  
26 Education shall calculate the Extension Limitation Equalized

1 Assessed Valuation that would have been used to calculate the  
2 district's 1998-1999 general State aid. This amount shall equal  
3 the product of the equalized assessed valuation used to  
4 calculate general State aid for the 1997-1998 school year and  
5 the district's Extension Limitation Ratio. If the Extension  
6 Limitation Equalized Assessed Valuation of the school district  
7 as calculated under this paragraph (4) is less than the  
8 district's equalized assessed valuation utilized in  
9 calculating the district's 1998-1999 general State aid  
10 allocation, then for purposes of calculating the district's  
11 general State aid pursuant to paragraph (5) of subsection (E),  
12 that Extension Limitation Equalized Assessed Valuation shall  
13 be utilized to calculate the district's Available Local  
14 Resources.

15 (5) For school districts having a majority of their  
16 equalized assessed valuation in any county except Cook, DuPage,  
17 Kane, Lake, McHenry, or Will, if the amount of general State  
18 aid allocated to the school district for the 1999-2000 school  
19 year under the provisions of subsection (E), (H), and (J) of  
20 this Section is less than the amount of general State aid  
21 allocated to the district for the 1998-1999 school year under  
22 these subsections, then the general State aid of the district  
23 for the 1999-2000 school year only shall be increased by the  
24 difference between these amounts. The total payments made under  
25 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
26 be prorated if they exceed \$14,000,000.

1 (H) Supplemental General State Aid.

2 (1) In addition to the general State aid a school district  
3 is allotted pursuant to subsection (E), qualifying school  
4 districts shall receive a grant, paid in conjunction with a  
5 district's payments of general State aid, for supplemental  
6 general State aid based upon the concentration level of  
7 children from low-income households within the school  
8 district. Supplemental State aid grants provided for school  
9 districts under this subsection shall be appropriated for  
10 distribution to school districts as part of the same line item  
11 in which the general State financial aid of school districts is  
12 appropriated under this Section.

13 (1.5) This paragraph (1.5) applies only to those school  
14 years preceding the 2003-2004 school year. For purposes of this  
15 subsection (H), the term "Low-Income Concentration Level"  
16 shall be the low-income eligible pupil count from the most  
17 recently available federal census divided by the Average Daily  
18 Attendance of the school district. If, however, (i) the  
19 percentage decrease from the 2 most recent federal censuses in  
20 the low-income eligible pupil count of a high school district  
21 with fewer than 400 students exceeds by 75% or more the  
22 percentage change in the total low-income eligible pupil count  
23 of contiguous elementary school districts, whose boundaries  
24 are coterminous with the high school district, or (ii) a high  
25 school district within 2 counties and serving 5 elementary



1 school districts, whose boundaries are coterminous with the  
2 high school district, has a percentage decrease from the 2 most  
3 recent federal censuses in the low-income eligible pupil count  
4 and there is a percentage increase in the total low-income  
5 eligible pupil count of a majority of the elementary school  
6 districts in excess of 50% from the 2 most recent federal  
7 censuses, then the high school district's low-income eligible  
8 pupil count from the earlier federal census shall be the number  
9 used as the low-income eligible pupil count for the high school  
10 district, for purposes of this subsection (H). The changes made  
11 to this paragraph (1) by Public Act 92-28 shall apply to  
12 supplemental general State aid grants for school years  
13 preceding the 2003-2004 school year that are paid in fiscal  
14 year 1999 or thereafter and to any State aid payments made in  
15 fiscal year 1994 through fiscal year 1998 pursuant to  
16 subsection 1(n) of Section 18-8 of this Code (which was  
17 repealed on July 1, 1998), and any high school district that is  
18 affected by Public Act 92-28 is entitled to a recomputation of  
19 its supplemental general State aid grant or State aid paid in  
20 any of those fiscal years. This recomputation shall not be  
21 affected by any other funding.

22 (1.10) This paragraph (1.10) applies to the 2003-2004  
23 school year and each school year thereafter. For purposes of  
24 this subsection (H), the term "Low-Income Concentration Level"  
25 shall, for each fiscal year, be the low-income eligible pupil  
26 count as of July 1 of the immediately preceding fiscal year (as

1 determined by the Department of Human Services based on the  
2 number of pupils who are eligible for at least one of the  
3 following low income programs: Medicaid, the Children's Health  
4 Insurance Program, TANF, or Food Stamps, excluding pupils who  
5 are eligible for services provided by the Department of  
6 Children and Family Services, averaged over the 2 immediately  
7 preceding fiscal years for fiscal year 2004 and over the 3  
8 immediately preceding fiscal years for each fiscal year  
9 thereafter) divided by the Average Daily Attendance of the  
10 school district.

11 (2) Supplemental general State aid pursuant to this  
12 subsection (H) shall be provided as follows for the 1998-1999,  
13 1999-2000, and 2000-2001 school years only:

14 (a) For any school district with a Low Income  
15 Concentration Level of at least 20% and less than 35%, the  
16 grant for any school year shall be \$800 multiplied by the  
17 low income eligible pupil count.

18 (b) For any school district with a Low Income  
19 Concentration Level of at least 35% and less than 50%, the  
20 grant for the 1998-1999 school year shall be \$1,100  
21 multiplied by the low income eligible pupil count.

22 (c) For any school district with a Low Income  
23 Concentration Level of at least 50% and less than 60%, the  
24 grant for the 1998-99 school year shall be \$1,500  
25 multiplied by the low income eligible pupil count.

26 (d) For any school district with a Low Income

1 Concentration Level of 60% or more, the grant for the  
2 1998-99 school year shall be \$1,900 multiplied by the low  
3 income eligible pupil count.

4 (e) For the 1999-2000 school year, the per pupil amount  
5 specified in subparagraphs (b), (c), and (d) immediately  
6 above shall be increased to \$1,243, \$1,600, and \$2,000,  
7 respectively.

8 (f) For the 2000-2001 school year, the per pupil  
9 amounts specified in subparagraphs (b), (c), and (d)  
10 immediately above shall be \$1,273, \$1,640, and \$2,050,  
11 respectively.

12 (2.5) Supplemental general State aid pursuant to this  
13 subsection (H) shall be provided as follows for the 2002-2003  
14 school year:

15 (a) For any school district with a Low Income  
16 Concentration Level of less than 10%, the grant for each  
17 school year shall be \$355 multiplied by the low income  
18 eligible pupil count.

19 (b) For any school district with a Low Income  
20 Concentration Level of at least 10% and less than 20%, the  
21 grant for each school year shall be \$675 multiplied by the  
22 low income eligible pupil count.

23 (c) For any school district with a Low Income  
24 Concentration Level of at least 20% and less than 35%, the  
25 grant for each school year shall be \$1,330 multiplied by  
26 the low income eligible pupil count.

1           (d) For any school district with a Low Income  
2           Concentration Level of at least 35% and less than 50%, the  
3           grant for each school year shall be \$1,362 multiplied by  
4           the low income eligible pupil count.

5           (e) For any school district with a Low Income  
6           Concentration Level of at least 50% and less than 60%, the  
7           grant for each school year shall be \$1,680 multiplied by  
8           the low income eligible pupil count.

9           (f) For any school district with a Low Income  
10          Concentration Level of 60% or more, the grant for each  
11          school year shall be \$2,080 multiplied by the low income  
12          eligible pupil count.

13          (2.10) Except as otherwise provided, supplemental general  
14          State aid pursuant to this subsection (H) shall be provided as  
15          follows for the 2003-2004 school year and each school year  
16          thereafter:

17               (a) For any school district with a Low Income  
18               Concentration Level of 15% or less, the grant for each  
19               school year shall be \$355 multiplied by the low income  
20               eligible pupil count.

21               (b) For any school district with a Low Income  
22               Concentration Level greater than 15%, the grant for each  
23               school year shall be \$294.25 added to the product of \$2,700  
24               and the square of the Low Income Concentration Level, all  
25               multiplied by the low income eligible pupil count.

26          For the 2003-2004 school year and each school year

1 thereafter through the 2008-2009 school year only, the grant  
2 shall be no less than the grant for the 2002-2003 school year.  
3 For the 2009-2010 school year only, the grant shall be no less  
4 than the grant for the 2002-2003 school year multiplied by  
5 0.66. For the 2010-2011 school year only, the grant shall be no  
6 less than the grant for the 2002-2003 school year multiplied by  
7 0.33. Notwithstanding the provisions of this paragraph to the  
8 contrary, if for any school year supplemental general State aid  
9 grants are prorated as provided in paragraph (1) of this  
10 subsection (H), then the grants under this paragraph shall be  
11 prorated.

12 For the 2003-2004 school year only, the grant shall be no  
13 greater than the grant received during the 2002-2003 school  
14 year added to the product of 0.25 multiplied by the difference  
15 between the grant amount calculated under subsection (a) or (b)  
16 of this paragraph (2.10), whichever is applicable, and the  
17 grant received during the 2002-2003 school year. For the  
18 2004-2005 school year only, the grant shall be no greater than  
19 the grant received during the 2002-2003 school year added to  
20 the product of 0.50 multiplied by the difference between the  
21 grant amount calculated under subsection (a) or (b) of this  
22 paragraph (2.10), whichever is applicable, and the grant  
23 received during the 2002-2003 school year. For the 2005-2006  
24 school year only, the grant shall be no greater than the grant  
25 received during the 2002-2003 school year added to the product  
26 of 0.75 multiplied by the difference between the grant amount

1 calculated under subsection (a) or (b) of this paragraph  
2 (2.10), whichever is applicable, and the grant received during  
3 the 2002-2003 school year.

4 (3) School districts with an Average Daily Attendance of  
5 more than 1,000 and less than 50,000 that qualify for  
6 supplemental general State aid pursuant to this subsection  
7 shall submit a plan to the State Board of Education prior to  
8 October 30 of each year for the use of the funds resulting from  
9 this grant of supplemental general State aid for the  
10 improvement of instruction in which priority is given to  
11 meeting the education needs of disadvantaged children. Such  
12 plan shall be submitted in accordance with rules and  
13 regulations promulgated by the State Board of Education.

14 (4) School districts with an Average Daily Attendance of  
15 50,000 or more that qualify for supplemental general State aid  
16 pursuant to this subsection shall be required to distribute  
17 from funds available pursuant to this Section, no less than  
18 \$261,000,000 in accordance with the following requirements:

19 (a) The required amounts shall be distributed to the  
20 attendance centers within the district in proportion to the  
21 number of pupils enrolled at each attendance center who are  
22 eligible to receive free or reduced-price lunches or  
23 breakfasts under the federal Child Nutrition Act of 1966  
24 and under the National School Lunch Act during the  
25 immediately preceding school year.

26 (b) The distribution of these portions of supplemental

1 and general State aid among attendance centers according to  
2 these requirements shall not be compensated for or  
3 contravened by adjustments of the total of other funds  
4 appropriated to any attendance centers, and the Board of  
5 Education shall utilize funding from one or several sources  
6 in order to fully implement this provision annually prior  
7 to the opening of school.

8 (c) Each attendance center shall be provided by the  
9 school district a distribution of noncategorical funds and  
10 other categorical funds to which an attendance center is  
11 entitled under law in order that the general State aid and  
12 supplemental general State aid provided by application of  
13 this subsection supplements rather than supplants the  
14 noncategorical funds and other categorical funds provided  
15 by the school district to the attendance centers.

16 (d) Any funds made available under this subsection that  
17 by reason of the provisions of this subsection are not  
18 required to be allocated and provided to attendance centers  
19 may be used and appropriated by the board of the district  
20 for any lawful school purpose.

21 (e) Funds received by an attendance center pursuant to  
22 this subsection shall be used by the attendance center at  
23 the discretion of the principal and local school council  
24 for programs to improve educational opportunities at  
25 qualifying schools through the following programs and  
26 services: early childhood education, reduced class size or

1 improved adult to student classroom ratio, enrichment  
2 programs, remedial assistance, attendance improvement, and  
3 other educationally beneficial expenditures which  
4 supplement the regular and basic programs as determined by  
5 the State Board of Education. Funds provided shall not be  
6 expended for any political or lobbying purposes as defined  
7 by board rule.

8 (f) Each district subject to the provisions of this  
9 subdivision (H) (4) shall submit an acceptable plan to meet  
10 the educational needs of disadvantaged children, in  
11 compliance with the requirements of this paragraph, to the  
12 State Board of Education prior to July 15 of each year.  
13 This plan shall be consistent with the decisions of local  
14 school councils concerning the school expenditure plans  
15 developed in accordance with part 4 of Section 34-2.3. The  
16 State Board shall approve or reject the plan within 60 days  
17 after its submission. If the plan is rejected, the district  
18 shall give written notice of intent to modify the plan  
19 within 15 days of the notification of rejection and then  
20 submit a modified plan within 30 days after the date of the  
21 written notice of intent to modify. Districts may amend  
22 approved plans pursuant to rules promulgated by the State  
23 Board of Education.

24 Upon notification by the State Board of Education that  
25 the district has not submitted a plan prior to July 15 or a  
26 modified plan within the time period specified herein, the



1 State aid funds affected by that plan or modified plan  
2 shall be withheld by the State Board of Education until a  
3 plan or modified plan is submitted.

4 If the district fails to distribute State aid to  
5 attendance centers in accordance with an approved plan, the  
6 plan for the following year shall allocate funds, in  
7 addition to the funds otherwise required by this  
8 subsection, to those attendance centers which were  
9 underfunded during the previous year in amounts equal to  
10 such underfunding.

11 For purposes of determining compliance with this  
12 subsection in relation to the requirements of attendance  
13 center funding, each district subject to the provisions of  
14 this subsection shall submit as a separate document by  
15 December 1 of each year a report of expenditure data for  
16 the prior year in addition to any modification of its  
17 current plan. If it is determined that there has been a  
18 failure to comply with the expenditure provisions of this  
19 subsection regarding contravention or supplanting, the  
20 State Superintendent of Education shall, within 60 days of  
21 receipt of the report, notify the district and any affected  
22 local school council. The district shall within 45 days of  
23 receipt of that notification inform the State  
24 Superintendent of Education of the remedial or corrective  
25 action to be taken, whether by amendment of the current  
26 plan, if feasible, or by adjustment in the plan for the

1 following year. Failure to provide the expenditure report  
2 or the notification of remedial or corrective action in a  
3 timely manner shall result in a withholding of the affected  
4 funds.

5 The State Board of Education shall promulgate rules and  
6 regulations to implement the provisions of this  
7 subsection. No funds shall be released under this  
8 subdivision (H) (4) to any district that has not submitted a  
9 plan that has been approved by the State Board of  
10 Education.

11 (I) (Blank) .

12 (J) Supplementary Grants in Aid.

13 (1) Notwithstanding any other provisions of this Section,  
14 the amount of the aggregate general State aid in combination  
15 with supplemental general State aid under this Section for  
16 which each school district is eligible shall be no less than  
17 the amount of the aggregate general State aid entitlement that  
18 was received by the district under Section 18-8 (exclusive of  
19 amounts received under subsections 5(p) and 5(p-5) of that  
20 Section) for the 1997-98 school year, pursuant to the  
21 provisions of that Section as it was then in effect. If a  
22 school district qualifies to receive a supplementary payment  
23 made under this subsection (J), the amount of the aggregate  
24 general State aid in combination with supplemental general

1 State aid under this Section which that district is eligible to  
2 receive for each school year shall be no less than the amount  
3 of the aggregate general State aid entitlement that was  
4 received by the district under Section 18-8 (exclusive of  
5 amounts received under subsections 5(p) and 5(p-5) of that  
6 Section) for the 1997-1998 school year, pursuant to the  
7 provisions of that Section as it was then in effect.

8 (2) If, as provided in paragraph (1) of this subsection  
9 (J), a school district is to receive aggregate general State  
10 aid in combination with supplemental general State aid under  
11 this Section for the 1998-99 school year and any subsequent  
12 school year that in any such school year is less than the  
13 amount of the aggregate general State aid entitlement that the  
14 district received for the 1997-98 school year, the school  
15 district shall also receive, from a separate appropriation made  
16 for purposes of this subsection (J), a supplementary payment  
17 that is equal to the amount of the difference in the aggregate  
18 State aid figures as described in paragraph (1).

19 (3) (Blank).

20 (K) Grants to Laboratory and Alternative Schools.

21 In calculating the amount to be paid to the governing board  
22 of a public university that operates a laboratory school under  
23 this Section or to any alternative school that is operated by a  
24 regional superintendent of schools, the State Board of  
25 Education shall require by rule such reporting requirements as

1 it deems necessary.

2 As used in this Section, "laboratory school" means a public  
3 school which is created and operated by a public university and  
4 approved by the State Board of Education. The governing board  
5 of a public university which receives funds from the State  
6 Board under this subsection (K) may not increase the number of  
7 students enrolled in its laboratory school from a single  
8 district, if that district is already sending 50 or more  
9 students, except under a mutual agreement between the school  
10 board of a student's district of residence and the university  
11 which operates the laboratory school. A laboratory school may  
12 not have more than 1,000 students, excluding students with  
13 disabilities in a special education program.

14 As used in this Section, "alternative school" means a  
15 public school which is created and operated by a Regional  
16 Superintendent of Schools and approved by the State Board of  
17 Education. Such alternative schools may offer courses of  
18 instruction for which credit is given in regular school  
19 programs, courses to prepare students for the high school  
20 equivalency testing program or vocational and occupational  
21 training. A regional superintendent of schools may contract  
22 with a school district or a public community college district  
23 to operate an alternative school. An alternative school serving  
24 more than one educational service region may be established by  
25 the regional superintendents of schools of the affected  
26 educational service regions. An alternative school serving

1 more than one educational service region may be operated under  
2 such terms as the regional superintendents of schools of those  
3 educational service regions may agree.

4 Each laboratory and alternative school shall file, on forms  
5 provided by the State Superintendent of Education, an annual  
6 State aid claim which states the Average Daily Attendance of  
7 the school's students by month. The best 3 months' Average  
8 Daily Attendance shall be computed for each school. The general  
9 State aid entitlement shall be computed by multiplying the  
10 applicable Average Daily Attendance by the Foundation Level as  
11 determined under this Section.

12 (L) Payments, Additional Grants in Aid and Other Requirements.

13 (1) For a school district operating under the financial  
14 supervision of an Authority created under Article 34A, the  
15 general State aid otherwise payable to that district under this  
16 Section, but not the supplemental general State aid, shall be  
17 reduced by an amount equal to the budget for the operations of  
18 the Authority as certified by the Authority to the State Board  
19 of Education, and an amount equal to such reduction shall be  
20 paid to the Authority created for such district for its  
21 operating expenses in the manner provided in Section 18-11. The  
22 remainder of general State school aid for any such district  
23 shall be paid in accordance with Article 34A when that Article  
24 provides for a disposition other than that provided by this  
25 Article.

1 (2) (Blank).

2 (3) Summer school. Summer school payments shall be made as  
3 provided in Section 18-4.3.

4 (M) Education Funding Advisory Board.

5 The Education Funding Advisory Board, hereinafter in this  
6 subsection (M) referred to as the "Board", is hereby created.  
7 The Board shall consist of 5 members who are appointed by the  
8 Governor, by and with the advice and consent of the Senate. The  
9 members appointed shall include representatives of education,  
10 business, and the general public. One of the members so  
11 appointed shall be designated by the Governor at the time the  
12 appointment is made as the chairperson of the Board. The  
13 initial members of the Board may be appointed any time after  
14 the effective date of this amendatory Act of 1997. The regular  
15 term of each member of the Board shall be for 4 years from the  
16 third Monday of January of the year in which the term of the  
17 member's appointment is to commence, except that of the 5  
18 initial members appointed to serve on the Board, the member who  
19 is appointed as the chairperson shall serve for a term that  
20 commences on the date of his or her appointment and expires on  
21 the third Monday of January, 2002, and the remaining 4 members,  
22 by lots drawn at the first meeting of the Board that is held  
23 after all 5 members are appointed, shall determine 2 of their  
24 number to serve for terms that commence on the date of their  
25 respective appointments and expire on the third Monday of

1 January, 2001, and 2 of their number to serve for terms that  
2 commence on the date of their respective appointments and  
3 expire on the third Monday of January, 2000. All members  
4 appointed to serve on the Board shall serve until their  
5 respective successors are appointed and confirmed. Vacancies  
6 shall be filled in the same manner as original appointments. If  
7 a vacancy in membership occurs at a time when the Senate is not  
8 in session, the Governor shall make a temporary appointment  
9 until the next meeting of the Senate, when he or she shall  
10 appoint, by and with the advice and consent of the Senate, a  
11 person to fill that membership for the unexpired term. If the  
12 Senate is not in session when the initial appointments are  
13 made, those appointments shall be made as in the case of  
14 vacancies.

15 The Education Funding Advisory Board shall be deemed  
16 established, and the initial members appointed by the Governor  
17 to serve as members of the Board shall take office, on the date  
18 that the Governor makes his or her appointment of the fifth  
19 initial member of the Board, whether those initial members are  
20 then serving pursuant to appointment and confirmation or  
21 pursuant to temporary appointments that are made by the  
22 Governor as in the case of vacancies.

23 The State Board of Education shall provide such staff  
24 assistance to the Education Funding Advisory Board as is  
25 reasonably required for the proper performance by the Board of  
26 its responsibilities.

1       For school years after the 2000-2001 school year, the  
2       Education Funding Advisory Board, in consultation with the  
3       State Board of Education, shall make recommendations as  
4       provided in this subsection (M) to the General Assembly for the  
5       foundation level under subdivision (B)(3) of this Section and  
6       for the supplemental general State aid grant level under  
7       subsection (H) of this Section for districts with high  
8       concentrations of children from poverty. The recommended  
9       foundation level shall be determined based on a methodology  
10      which incorporates the basic education expenditures of  
11      low-spending schools exhibiting high academic performance. The  
12      Education Funding Advisory Board shall make such  
13      recommendations to the General Assembly on January 1 of odd  
14      numbered years, beginning January 1, 2001.

15      (N) (Blank).

16      (O) References.

17           (1) References in other laws to the various subdivisions of  
18      Section 18-8 as that Section existed before its repeal and  
19      replacement by this Section 18-8.05 shall be deemed to refer to  
20      the corresponding provisions of this Section 18-8.05, to the  
21      extent that those references remain applicable.

22           (2) References in other laws to State Chapter 1 funds shall  
23      be deemed to refer to the supplemental general State aid  
24      provided under subsection (H) of this Section.



1 (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
2 changes to this Section. Under Section 6 of the Statute on  
3 Statutes there is an irreconcilable conflict between Public Act  
4 93-808 and Public Act 93-838. Public Act 93-838, being the last  
5 acted upon, is controlling. The text of Public Act 93-838 is  
6 the law regardless of the text of Public Act 93-808.

7 (Source: P.A. 95-331, eff. 8-21-07; 95-644, eff. 10-12-07;  
8 95-707, eff. 1-11-08; 95-744, eff. 7-18-08; 95-903, eff.  
9 8-25-08; 96-45, eff. 7-15-09; 96-152, eff. 8-7-09; 96-300, eff.  
10 8-11-09; 96-328, eff. 8-11-09; 96-640, eff. 8-24-09; 96-959,  
11 eff. 7-1-10; 96-1000, eff. 7-2-10; 96-1480, eff. 11-18-10;  
12 revised 11-24-10.)

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law."