

Summary of Proposed Changes to Property Tax Code (35 ILCS 200/18-185)

1. After a TIF District ends, taxing bodies under PTELL would receive a one-time bump in their aggregate extension base equal to the TIF EAV that becomes available to levy against. For levy year 2022 and thereafter, SB2298 would limit the amount of TIF EAV that would be added to the aggregate extension base by 50%.

Summary of Proposed Changes to TIF Act (65 ILCS 5/11-74.4 et. seq.)

1. Blight for improved parcels still requires findings of 5 characteristics, however the blighting characteristics no longer include: dilapidation; lack of ventilation, light or sanitary facilities; and deleterious land use or layout. The definition of **obsolescence** is changed to now mean “a state of functional, economic, or physical obsolescence of buildings or improvements that a documented analysis determines does not meet or sustain current technological needs such as fiber optic, broadband, Wi-Fi, or other critical utility infrastructure.” To qualify a parcel for **deterioration**, “at least 25% of structures in the redevelopment project area have major defects in the secondary building components.” Regarding parcels below **minimum code standards**, over 25% of structures must not meet code standards – and zoning is no longer considered a code standard. **Excessive vacancies** now mean that at least 25% of buildings are unoccupied by businesses or housing residents. **Lack of planning** is still a qualification factor, but asserting that the plan was not followed at the time of the area's development is no longer part of the definition. To qualify with **EAV**, the area has declined for 3 of the last 5 years, or is increasing at an annual rate that is at least 25% less than the rest of the city for 3 of 5 years, or the rate of growth of the TIF Area is less than the CPI rate for 3 of last 5 years. New qualifying factors for “blight” are: “The municipality provides more than one documented refusal of developers to bid on property in the redevelopment area within the previous 5 years;” and “Over 25% of businesses have left the proposed redevelopment project area or went bankrupt over the past 10 years.”
2. **For vacant parcels, 1 instead of 2** of the following factors qualify: tax delinquencies; environmental remediation; or EAV if declining or rate of growth is less than balance of city, or annual rate of growth of TIF area is at least 25% less than CPI rate for 3 of last 5 years (note that EAV is different for vacant than for improved). Vacant factors of obsolete platting, diversity of ownership, and deterioration of adjacent structures are struck from the Bill altogether. Also **if vacant, 2 of the following factors** (formerly was just 1) must be present: unused quarries, mines, or strip mine ponds; unused rail yards, rail tracks, or railroad right-of-way; chronic flooding or contributes to flooding (language for flooding is unchanged); or disposal site. The factor “blighted before vacant” is struck from the Bill.
3. For conservation areas, SB2298 requires 4 factors instead of 3 for qualifying improved parcels. Otherwise, the same changes in the definitions for qualifying factors blighted property described above apply to conservation areas, except: the new blighting factors cited above are not included for conservation areas; and there is no change to the definition of lack of planning in a conservation area.
4. There are numerous changes in SB2298 that give the JRB substantial more power over municipalities. Each member of JRB is now given 60 days from date of notification to provide written support for a new TIF or a major amendment. The Redevelopment Plan is to establish a process for allocating TIF funds for redevelopment costs that include members of the JRB. Note that there are no changes in SB2298 as Amended to alter definitions of redevelopment project costs – so reimbursements to other taxing bodies must still be limited to capital expenses. TIF Extensions (35 yr or 47 yr) are subject to written approval of the JRB (and each member must agree in writing to the extension) within 90 days of city giving notice of its desire to extend. If the taxing bodies support the extension, the city shall also give at least 30 days' written notice to the taxing bodies before the adoption of the ordinance

approving the extension. SB 2298 gives the Department of Revenue authority to decide whether a taxing body is unreasonably withholding support for an extension and IDOR has 90 days to respond with its decision. Prior to establishing a TIF District or a major amendment, the city must seek written approval from each JRB member, however *“No submitted response from a member of the joint review board, or a response providing no indication of either support or objection, is considered an indication of support. Written response from each member of the joint review board must be sent to the municipality within 60 days of notification.”* As part of its deliberations, the JRB board may hold additional hearings on the proposal (to establish or approve major amendment). Per new language in SB2298, any changes to the redevelopment plan necessary to satisfy the issues set forth in the joint review board report shall be the subject of a public hearing before the hearing is adjourned. These changes will affect the statutory timeline for establishing or amending TIF Districts. JRB membership is expanded as follows: *“The joint review board shall also include each highway commissioner of a road district located in whole or in part inside the proposed redevelopment project area.”*

5. Per new language in SB2298, *“After the effective date of this amendatory Act of the 102nd General Assembly, a new redevelopment project area that overlaps with any existing redevelopment project area or an expansion of a redevelopment project area so that the expanded area will overlap with any existing redevelopment project area may not be approved.”*
6. Per new language in SB2298, *“The redevelopment plan establishes a process for allocating funds from the special tax allocation fund for redevelopment project costs that shall include the members of the joint review board.”*
7. Regarding TIF Surplus Funds, SB2298 indicates: *“The joint review board created under subsection (b) of Section 11-74.4-5 and the municipality shall review all funds in the special tax allocation fund and shall designate and approve surplus funds no later than 30 days after the close of the municipality's fiscal year. The joint review board and municipality shall issue a joint written report describing why they designated certain funds surplus funds and why other funds were not designated surplus funds under the requirements of this paragraph. All surplus funds in the special tax allocation fund shall be distributed annually within 180 days after the close of the municipality's fiscal year, but not before the joint written report is issued under this paragraph...”* AND *“Notwithstanding any other provision of law, no surplus funds then remaining in the special tax allocation fund may be transferred or paid to any other redevelopment project area, except for any funds transferred or paid pursuant to an ongoing agreement between municipalities under subsection (p) of Section 11-74.4.”*

**Verbatim (Redline) Excerpts of Proposed Changes
in Order of Appearance in SB2298 Amendment No. 1**

Property Tax Code is amended by changing Section 18-185 as follows:

For levy years 2022 and thereafter, "aggregate extension base" means the greater of (A) the taxing district's last preceding aggregate extension limit or (B) the taxing district's last preceding aggregate extension, as adjusted under Sections 18-135, 18-215, 18-230, and 18-206.

"Aggregate extension limit" means the district's last preceding aggregate extension if the taxing district had utilized the maximum limiting rate permitted without referendum for each of the 5 immediately preceding levy years, as adjusted under Section 18-135, 18-215, 18-230, and 18-206.

Except as otherwise provided in this Section, "limiting rate" means a fraction the numerator of which is the last preceding aggregate extension base times an amount equal to one plus the extension limitation defined in this Section and the denominator of which is the current year's equalized assessed value of all real property in the

territory under the jurisdiction of the taxing district during the prior levy year. For those taxing districts that reduced their aggregate extension for the last preceding levy year, except for school districts that reduced their extension for educational purposes pursuant to Section 18-206, the highest aggregate extension in any of the last 3 preceding levy years shall be used for the purpose of computing the limiting rate. For levy years prior to levy year 2022, the The denominator shall not include new property or the recovered tax increment value. For levy year 2022 and thereafter, the denominator shall not include the recovered tax increment value but shall include 50% of the value of new property.

The Illinois Municipal Code is amended by changing Sections 11-74.4-3, 11-74.4-3.5, 11-74.4-5, 11-74.4-7, and 11-74.4-8 as follows:

Sect. 74.4-3:

For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to the effective date of this amendatory Act of the 102nd General Assembly November 1, 1999 (the effective date of Public Act 91-478), "blighted area" shall have the meaning set forth in this Section prior to that date.

On and after the effective date of this amendatory Act of the 102nd General Assembly November 1, 1999, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where:

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

~~Obsolescence. A state of functional, economic, or physical obsolescence of buildings or improvements that a documented analysis determines does not meet or sustain current technological needs such as fiber optic, broadband, Wi-Fi, or other critical utility infrastructure~~ A state of functional, economic, or physical obsolescence of buildings or improvements that a documented analysis determines does not meet or sustain current technological needs such as fiber optic, broadband, Wi-Fi, or other critical utility infrastructure ~~The condition or process of falling into disuse. Structures have become ill suited for the original use.~~

~~Deterioration. At least 25% of structures in the redevelopment project area have major defects in the secondary building components, including, but not limited to,~~ At least 25% of structures in the redevelopment project area have major defects in the secondary building components, including, but not limited to, ~~With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.~~

~~Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.~~ Over 25% of ~~All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.~~

~~Excessive vacancies. The presence of buildings that are unoccupied or under utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.~~ At least 25% of buildings are unoccupied by businesses or housing residents ~~The presence of buildings that are unoccupied or under utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.~~

~~Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for~~

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

~~Deleterious land use or layout. The existence of incompatible land use relationships, buildings occupied by inappropriate mixed uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.~~

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

The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is at least 25% less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

Refusal by Developers. The municipality provides more than one documented refusal of developers to bid on property in the redevelopment area within the previous 5 years.

Over 25% of businesses have left the proposed redevelopment project area or went bankrupt over the past 10 years.

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

~~Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.~~

~~Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.~~

~~Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.~~

The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is at least 25% less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

If vacant, the sound growth of the redevelopment project area is impaired by ~~2~~ one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

~~The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.~~

For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to the effective date of this amendatory Act of the 102nd General Assembly November 1, 1999 (the effective date of Public Act 91-478), "conservation area" shall have the meaning set forth in this Section prior to that date.

On and after the effective date of this amendatory Act of the 102nd General Assembly November 1, 1999, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of ~~4~~ 3 or more of the following factors is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area:

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

~~Obsolescence. A state of functional, economic, or physical obsolescence of buildings or improvements that a documented analysis determines does not meet or sustain current technological needs such as fiber optic, broadband, Wi-Fi, or other critical utility infrastructure~~ The condition or process of falling into disuse. Structures have become ill-suited for the original use.

~~Deterioration. At least 25% of structures in the redevelopment project area have major defects in the secondary building components, including but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.~~

~~Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.~~

~~Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.~~

~~Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.~~

The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is at least 25% less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by

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

(1.5) The municipality receives written support for the redevelopment plan from each member of the joint review board. No submitted response from a member of the joint review board, or a response providing no indication of either support or objection, is considered an indication of support. Written response from each member of the joint review board must be sent to the municipality within 60 days of notification.

(2.5) The redevelopment plan establishes a process for allocating funds from the special tax allocation fund for redevelopment project costs that shall include the members of the joint review board.

(4) If any incremental revenues are being utilized under paragraph (1) or (2) of Section 11-74.4-8a ~~8(a)(1) or 8(a)(2)~~ of this Act in redevelopment project areas approved by ordinance after January 1, 1986, the municipality finds: (a) that the redevelopment project area would not reasonably be developed without the use of such incremental revenues, and (b) that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

(10) For redevelopment project areas designated after the effective date of this amendatory Act of the 102nd General Assembly, the redevelopment plan may only be amended with written support from each member of the joint review board. No submitted response from a member of the joint review board, or a response providing no indication of either support or objection, is considered an indication of support. Written response from each member of the joint review board must be sent to the municipality within 60 days of notification.

On or after the effective date of this amendatory Act of the 102nd General Assembly, before the completion date may be extended under this subsection to the 35th calendar year after the year in which the ordinance approving the redevelopment project area was adopted, the joint review board created under subsection (b) of Section 11-74.4-5 shall convene and issue a written report describing its decision whether or not to extend the completion date of the redevelopment project area. Each member of the joint review board must agree, with written support, to the extension and length of the extension of the completion date of the redevelopment project area. If the joint review board does not file a report, it shall be presumed that the taxing bodies approve the extension of the life of the redevelopment project area. If both the municipality and the joint review board elect to extend the completion date under this subsection, the municipality shall give at least 30 days' written notice to the taxing bodies before the adoption of the ordinance approving the extension of the completion date. The joint review board shall issue this report within 90 days after receiving written notification of the municipality's intent to extend the completion date of the redevelopment project area. A member of the joint review board may not unreasonably withhold support. If a taxing body believes another taxing body is unreasonably withholding support, the taxing body may send a written objection to the Department of Revenue and the Department of Revenue shall decide whether the taxing body withholding support is doing so unreasonably based on the criteria set forth in Section 11-74.4-3. The Department of Revenue shall provide the municipality written notice of its decision as to whether the taxing body is unreasonably withholding support within 90 days of receipt of the written objection by the taxing body. If the Department of Revenue has determined a taxing body unreasonably withheld support, then the municipality shall not need the written support of that taxing body to proceed under this subsection.

On or after the effective date of this amendatory Act of the 102nd General Assembly, before the completion date may be extended under this subsection to the 47th calendar year after the year in which the ordinance approving the redevelopment project area was adopted, the joint review board created under subsection (b) of Section 11-74.4-5 shall convene and issue a written report describing its decision whether or not to extend the completion date of the redevelopment project area. Each member of the joint review board must agree, with written support, to the extension and length of the extension of the completion date of the redevelopment project area. If the joint review board does not file a report, it shall be presumed that the taxing bodies approve

the extension of the life of the redevelopment project area. If both the municipality and the joint review board elect to extend the completion date under this subsection, the municipality shall give at least 30 days' written notice to the taxing bodies before the adoption of the ordinance approving the extension of the completion date. The joint review board shall issue this report within 90 days after receiving written notification of the municipality's intent to extend the complete date of the redevelopment project area. A member of the joint review board may not unreasonably withhold support. If a taxing body believes another taxing body is unreasonably withholding support, the taxing body may send a written objection to the Department of Revenue and the Department of Revenue shall decide whether the taxing body withholding support is doing so unreasonably based on the criteria set forth in Section 11-74.4-3. The Department of Revenue shall provide the municipality written notice of its decision as to whether the taxing body is unreasonably withholding support within 90 days of receipt of the written objection by the taxing body. If the Department of Revenue has determined a taxing body unreasonably withheld support, then the municipality shall not need the written support of that taxing body to proceed under this subsection.

Sec. 11-74-5:

At the public hearing any interested person or affected taxing district may file with the municipal clerk written objections to and may be heard orally in respect to any issues embodied in the notice. The municipality shall hear all protests and objections at the hearing and the hearing may be adjourned to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the subsequent hearing. At the public hearing or at any time prior to the adoption by the municipality of an ordinance approving a redevelopment plan, the municipality may make changes in the redevelopment plan. Changes which (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of or extend the life of the redevelopment project, or (4) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, shall be made only after the municipality gives notice, receives written support from each member of the ~~convenes~~ a joint review board convened under subsection (b), and conducts a public hearing pursuant to the procedures set forth in this Section and in Section 11-74.4-6 of this Act. No submitted response from a member of the joint review board, or a response providing no indication of either support or objection, is considered an indication of support. Written response from each member of the joint review board must be sent to the municipality within 60 days of notification. Changes which do not (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of or extend the life of the redevelopment project, or (4) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, may be made without further hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested parties registry, provided for under Section 11-74.4-4.2, and by publication in a newspaper of general circulation within the affected taxing district. Such notice by mail and by publication shall each occur not later than 10 days following the adoption by ordinance of such changes.

(b) Prior to holding a public hearing to approve or amend a redevelopment plan or to designate or add additional parcels of property to a redevelopment project area, the municipality shall convene a joint review board. The board shall consist of a representative selected by each community college district, local elementary school district and high school district or each local community unit school district, park district, library district, township, fire protection district, and county that will have the authority to directly levy taxes on the property within the proposed redevelopment project area at the time that the proposed redevelopment project area is approved, a representative selected by the municipality and a public member. The joint review board shall also include each highway commissioner of a road district located in whole or in part inside the proposed redevelopment project area. The public member shall first be selected and then the board's chairperson shall be selected by a majority of the board members present and voting.

For redevelopment project areas approved prior to the effective date of this amendatory Act of the 102nd General Assembly, all All-board members shall be appointed and the first board meeting shall be held at least 14 days but not more than 28 days after the mailing of notice by the municipality to the taxing districts as required by Section 11-74.4-6(c). Notwithstanding the preceding sentence, a municipality that adopted either a public hearing resolution or a feasibility resolution between July 1, 1999 and July 1, 2000 that called for the meeting of the joint review board within 14 days of notice of public hearing to affected taxing districts is deemed to be in compliance with the notice, meeting, and public hearing provisions of the Act. Such notice shall also advise the taxing bodies represented on the joint review board of the time and place of the first meeting of the board. Additional meetings of the board shall be held upon the call of any member. The municipality seeking designation of the redevelopment project area shall provide administrative support to the board.

For redevelopment project areas approved on or after the effective date of this amendatory Act of the 102nd General Assembly, all members of the joint review board shall be appointed and the first meeting shall be held prior to the approval of the redevelopment plan. Each member of the joint review board must approve of the redevelopment plan, as well as any amendments to the redevelopment plan, for it to be enacted by municipal ordinance. A member of the joint review board may not unreasonably withhold support. If a taxing body believes another taxing body is unreasonably withholding support, the taxing body may send a written objection to the Department of Revenue and the Department of Revenue shall decide whether the taxing body withholding support is doing so unreasonably based on the criteria set forth in Section 11-74.4-3. The Department of Revenue shall provide the municipality written notice of its decision as to whether the taxing body is unreasonably withholding support within 90 days of receipt of the written objection by the taxing body. If the Department of Revenue has determined a taxing body unreasonably withheld support, then the municipality shall not need the written support of that taxing body to proceed.

The joint review board shall review (i) the public record, planning documents, and proposed ordinances approving the redevelopment plan and project and (ii) proposed amendments to the redevelopment plan or additions of parcels of property to the redevelopment project area to be adopted by the municipality. As part of its deliberations, the board may hold additional hearings on the proposal.

The joint review board shall base its decision to approve or disapprove the redevelopment plan and the designation of the redevelopment project area, the amendment of the redevelopment plan, or addition of parcels of property to the redevelopment project area on the basis of the redevelopment project area and redevelopment plan satisfying the plan requirements, the eligibility criteria defined in Section 11-74.4-3, and the objectives of this Act.

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

If the joint review board rejects the matters before it, the municipality will have 30 days within which to resubmit the plan or amendment to the board. During this period, the municipality will meet and confer with the board to resolve those issues set forth in the board's written report that led to the rejection of the plan or amendment.

Notwithstanding the resubmission set forth above, the municipality may commence the scheduled public hearing and either adjourn the public hearing or continue the public hearing until a date certain. Prior to continuing any public hearing to a date certain, the municipality shall announce during the public hearing the time, date, and location for the reconvening of the public hearing. Any changes to the redevelopment plan necessary to satisfy the issues set forth in the joint review board report shall be the subject of a public hearing before the hearing is adjourned if the changes would (1) substantially affect the general land uses proposed in

the redevelopment plan, (2) substantially change the nature of or extend the life of the redevelopment project, or (3) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10. Changes to the redevelopment plan necessary to satisfy the issues set forth in the joint review board report must receive written support by each member of the joint review board. Any changes to the redevelopment plan that would add additional parcels of property to the proposed redevelopment project area shall be subject to the notice, public hearing, and joint review board meeting requirements established for such changes by subsection (a) of Section 11-74.4-5.

No submitted response from a member of the joint review board, or a response providing no indication of either support or objection to extending the completion date of the redevelopment project area, is considered an indication of support. Written response from each member of the joint review board must be sent to the municipality within 60 days of notification.

After the effective date of this amendatory Act of the 102nd General Assembly, a new redevelopment project area that overlaps with any existing redevelopment project area or an expansion of a redevelopment project area so that the expanded area will overlap with any existing redevelopment project area may not be approved.

(c) After a municipality has by ordinance approved a redevelopment plan and designated a redevelopment project area, the plan may be amended and additional properties may be added to the redevelopment project area only as herein provided. Amendments which (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of the redevelopment project, (4) increase the total estimated redevelopment project costs set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted, (5) add additional redevelopment project costs to the itemized list of redevelopment project costs set out in the redevelopment plan, or (6) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, shall be made only after the municipality gives notice, receives written support from each member of the ~~convenes~~ a joint review board, and conducts a public hearing pursuant to the procedures set forth in this Section and in Section 11-74.4-6 of this Act. Changes which do not (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of the redevelopment project, (4) increase the total estimated redevelopment project cost set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted, (5) add additional redevelopment project costs to the itemized list of redevelopment project costs set out in the redevelopment plan, or (6) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, may be made without further public hearing and related notices and procedures but must be made with written support from each member of the ~~including the convening of~~ a joint review board as set forth in Section 11-74.4-6 of this Act, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested parties registry, provided for under Section 11-74.4-4.2, and by publication in a newspaper of general circulation within the affected taxing district. Such notice by mail and by publication shall each occur not later than 10 days following the adoption by ordinance of such changes. No submitted response from a member of the joint review board, or a response providing no indication of either support or objection, is considered an indication of support. Written response from each member of the joint review board must be sent to the municipality within 60 days of notification.

Sec. 11-74.4-7. Obligations secured by the special tax allocation fund set forth in Section 11-74.4-8 for the redevelopment project area may be issued to provide for redevelopment project costs. Such obligations, when so issued, shall be retired in the manner provided in the ordinance authorizing the issuance of such obligations by the receipts of taxes levied as specified in Section 11-74.4-9 against the taxable property included in the area,

by revenues as specified by Section 11-74.4-8a and other revenue designated by the municipality. A municipality may in the ordinance pledge all or any part of the funds in and to be deposited in the special tax allocation fund created pursuant to Section 11-74.4-8 to the payment of the redevelopment project costs and obligations. Any pledge of funds in the special tax allocation fund shall provide for distribution to the taxing districts and to the Illinois Department of Revenue of moneys not required, pledged, earmarked, or otherwise designated for payment and securing of the obligations and anticipated redevelopment project costs and such excess funds shall be calculated annually and deemed to be "surplus" funds. In the event a municipality only applies or pledges a portion of the funds in the special tax allocation fund for the payment or securing of anticipated redevelopment project costs or of obligations, any such funds remaining in the special tax allocation fund after complying with the requirements of the application or pledge, shall also be calculated annually and deemed "surplus" funds. The joint review board created under subsection (b) of Section 11-74.4-5 and the municipality shall review all funds in the special tax allocation fund and shall designate and approve surplus funds no later than 30 days after the close of the municipality's fiscal year. The joint review board and municipality shall issue a joint written report describing why they designated certain funds surplus funds and why other funds were not designated surplus funds under the requirements of this paragraph. All surplus funds in the special tax allocation fund shall be distributed annually within 180 days after the close of the municipality's fiscal year, but not before the joint written report is issued under this paragraph, by being paid by the municipal treasurer to the County Collector, to the Department of Revenue and to the municipality in direct proportion to the tax incremental revenue received as a result of an increase in the equalized assessed value of property in the redevelopment project area, tax incremental revenue received from the State and tax incremental revenue received from the municipality, but not to exceed as to each such source the total incremental revenue received from that source. The County Collector shall thereafter make distribution to the respective taxing districts in the same manner and proportion as the most recent distribution by the county collector to the affected districts of real property taxes from real property in the redevelopment project area.

Notwithstanding any other provision of law, no surplus funds then remaining in the special tax allocation fund may be transferred or paid to any other redevelopment project area, except for any funds transferred or paid pursuant to an ongoing agreement between municipalities under subsection (p) of Section 11-74-4.