



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

HB1396

Introduced 2/21/2007, by Rep. Timothy L. Schmitz

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Collar Counties Sports Facilities Authority Act. Creates the Collar Counties Sports Facilities Authority. Sets forth the membership of the Board and the terms of the Board members. Gives the Authority certain powers, including the power to issue bonds and impose certain taxes. Provides that the territory of the Authority shall be coterminous with the boundaries of Kane, Lake, McHenry, DuPage, and Will Counties. Contains other provisions.

LRB095 04490 HLH 24541 b

FISCAL NOTE ACT  
MAY APPLY

STATE DEBT  
IMPACT NOTE ACT  
MAY APPLY

1 AN ACT concerning sports facilities.

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

4 Section 1. Short title. This Act may be cited as the Collar  
5 Counties Sports Facilities Authority Act.

6 Section 5. Definitions.

7 In this Act:

8 "Assistance Agreement" means one or more legally binding  
9 contracts, with respect to a facility for which the Authority  
10 is to provide financial assistance as provided in this Act, to  
11 which the Authority and a governmental owner of a facility or  
12 its tenant, or both, and any other appropriate persons are  
13 parties, which may be in the form of an intergovernmental  
14 agreement.

15 "Authority" means the Collar Counties Sports Facilities  
16 Authority.

17 "Facility" means any of the following:

18 (1) Stadiums, arenas, or other structures for the  
19 holding of athletic contests or events, including  
20 baseball, football, hockey, and automobile racing;  
21 musical, dramatic, and other artistic or social events, or  
22 public meetings and other public events.

23 (2) Practice fields, or other areas where

1 professional, amateur, or semi-professional sports teams  
2 may practice or perform.

3 "Facility" also means the following types of property if  
4 that property is directly related to an item listed in  
5 paragraphs (1) or (2) of this definition:

6 (i) Offices, parking lots and garages, landscaping  
7 and open spaces, access roads, transportation  
8 facilities, restaurants, and stores.

9 (ii) Other recreation areas.

10 (iii) Other property or structures, including all  
11 fixtures, furnishings, and appurtenances normally  
12 associated with such facilities.

13 "Financial Assistance" means the use by the Authority,  
14 pursuant to an assistance agreement, of its powers under the  
15 Act, including, without limitation, the power to borrow money,  
16 to issue bonds and notes, to assist a governmental owner or its  
17 tenants, or both, with one or more of the following: designing,  
18 developing, establishing, constructing, erecting, acquiring,  
19 repairing, reconstructing, renovating, remodeling, adding to,  
20 extending, improving, equipping, operating, and maintaining a  
21 facility owned or be owned by the governmental owner.

22 "Governmental Owner" means a body politic, public  
23 corporation, political subdivision, unit of local government,  
24 or municipality formed under the laws of the State of Illinois  
25 that owns or is to own a facility located within the corporate  
26 limits of the Authority described in Section 50 of this Act and

1 to which the Authority provides financial assistance.

2 "Loan agreement" means a legally binding contract between  
3 the Authority and an owner of a facility, pursuant to which the  
4 Authority agrees to make loans to the owner for the purpose of  
5 (i) constructing, acquiring, operating, repairing,  
6 rehabilitating, or managing a facility and the site on which a  
7 facility is or is to be located, which facility or site must be  
8 located in the State of Illinois, excluding the City of  
9 Chicago, and (ii) infrastructure improvements related to the  
10 facility.

11 "Management Agreement" means a legally binding contract  
12 between the Authority and a tenant of a facility owned by the  
13 Authority, which contains at least the following provisions:

14 (A) a provision requiring the tenant to conduct its  
15 complete regular home season schedule and any home playoff  
16 events in the facility;

17 (B) a provision requiring the tenant to provide routine  
18 maintenance of and to operate the facility with its  
19 personnel or contractors;

20 (C) a provision requiring the tenant to advertise and  
21 promote events it conducts at the facility;

22 (D) a provision requiring the tenant to operate or  
23 contract for concessions for the patrons of the facility;  
24 and

25 (E) a provision permitting the Authority or its  
26 designee to hold other events in any such facility owned by

1 the Authority at such times as shall not unreasonably  
2 interfere with the use of that facility by the tenant.

3 "Tenant" means any person with which a governmental owner  
4 or the Authority has entered into an agreement for the use by a  
5 sports team of any facility. Such an agreement may be a  
6 management agreement or an assistance agreement or may be a  
7 lease of or a license, permit or similar agreement with respect  
8 to the use of a facility by such team for such period as shall  
9 be agreed upon by the person and the governmental owner or the  
10 Authority, as the case may be.

11 Section 10. Legislative finding and declaration. The  
12 General Assembly finds that as a result of deteriorating  
13 infrastructure and sports facilities there is a shortage of  
14 sports facilities suitable for use by professional, amateur, or  
15 semi-professional sports teams and other musical, theatrical,  
16 and other social organizations.

17 It is further found that as a result of the costs to repair  
18 or replace the infrastructure and facilities, and as a result  
19 of current financing costs, the private sector, without the  
20 assistance contemplated in this Act, is unable to construct  
21 feasibly adequate sports facilities.

22 It is further found that the creation of modern sports  
23 facilities and the other results contemplated by this Act would  
24 stimulate economic activity in the State of Illinois, including  
25 the creation and maintenance of jobs, the creation of new and

1 lasting infrastructure and other improvements, and the  
2 retention of sports and entertainment events that generate  
3 economic activity.

4 It is further found that sports facilities can be magnets  
5 for substantial interstate tourism resulting in increased  
6 retail sales, hotel and restaurant sales, and entertainment  
7 industry sales, all of which increase jobs and economic growth.

8 Section 15. Authority and Board created.

9 (a) The Collar Counties Sports Facilities Authority is  
10 created as a political subdivision, unit of local government,  
11 body politic, and municipal corporation.

12 (b) The governing and administrative powers of the  
13 Authority shall be vested in a body known as the Collar  
14 Counties Sports Facilities Authority Board. The Board shall  
15 consist of 5 members: a Chair and 4 additional members. One  
16 member shall be appointed by the county board of each of the  
17 following counties: Kane, Lake, McHenry, DuPage, and Will. The  
18 Chair shall be appointed from among the members of the Board.  
19 The appointed member representing DuPage County shall serve as  
20 interim Chair until a Chair is appointed by the members.

21 No member shall be employed by the State or any political  
22 subdivision of the State or by any department or agency of the  
23 State or any political subdivision of the State.

24 Section 20. Terms of appointments. Initial appointees

1 shall serve for the following terms, as determined by lot. One  
2 member shall serve for a one-year term, 2 members shall serve  
3 for 2-year terms, and 2 members shall serve for 3-year terms.  
4 All successors shall hold office for a term of 3 years from the  
5 first day of July of the year in which they are appointed,  
6 except in the case of an appointment to fill a vacancy. Each  
7 member, including the Chair, shall hold office until the  
8 expiration of the member's term and until the member's  
9 successor is appointed and qualified. Nothing shall preclude a  
10 member or a Chair from serving consecutive terms.

11 Vacancies for members and for the Chair shall be filled in  
12 the same manner as original appointments for the balance of the  
13 unexpired term.

14 Section 25. Actions of the Authority.

15 (a) Three members of the Authority constitute a quorum for  
16 the purpose of conducting business. Actions of the Authority  
17 must receive the affirmative vote of at least 3 members. The  
18 Authority shall determine the times and places of its meetings.  
19 The members of the Authority shall serve without compensation  
20 for service as a member but are entitled to reimbursement of  
21 reasonable expenses incurred in the performance of their  
22 official duties.

23 (b) The Authority shall annually elect a secretary and a  
24 treasurer.

1 Section 30. Executive Director.

2 The Authority shall appoint an Executive Director, who is the  
3 chief executive officer of the Authority. In addition to any  
4 other duties set forth in this Act, the Executive Director  
5 shall do the following:

6 (1) Direct and supervise the administrative affairs  
7 and activities of the Authority, in accordance with its  
8 rules, regulations, and policies.

9 (2) Attend meetings of the Authority.

10 (3) Keep minutes of all proceedings of the Authority.

11 (4) Approve all accounts for salaries, per diem  
12 payments, and allowable expenses of the Authority and its  
13 employees and consultants and approve all expenses  
14 incidental to the operation of the Authority.

15 (5) Report and make recommendations to the Authority on  
16 the merits and status of any proposed facility.

17 (6) Perform any other duty that the Authority requires  
18 for carrying out the provisions of this Act.

19 Section 35. Powers.

20 (a) In addition to the powers set forth elsewhere in this  
21 Act, the Authority may do the following:

22 (1) Adopt and alter an official seal.

23 (2) Sue and be sued, plead and be impleaded, all in its  
24 own name, and agree to binding arbitration of any dispute  
25 to which it is a party.



1           (3) Adopt bylaws, rules, and regulations to carry out  
2 the provisions of this Act.

3           (4) Maintain an office or offices at the place the  
4 Authority may designate.

5           (5) Employ, either as regular employees or independent  
6 contractors, consultants, engineers, architects,  
7 accountants, attorneys, financial experts, construction  
8 experts and personnel, superintendents, managers and other  
9 professional personnel, and such other personnel as may be  
10 necessary in the judgment of the Authority, and fix their  
11 compensation.

12           (6) Acquire, hold, lease as lessor or as lessee, use,  
13 encumber, transfer, or dispose of real and personal  
14 property, including the alteration of or demolition of  
15 improvements to real estate.

16           (7) Enter into contracts of any kind.

17           (8) Enter into one or more loan agreements with an  
18 owner of a facility that conform to the requirements of  
19 this Act and that may contain provisions as the Authority  
20 shall determine, including, without limit: (i) provisions  
21 granting the owner the right and option to extend the term  
22 of the loan agreement; (ii) provisions creating an  
23 assignment and pledge by the Authority of certain of the  
24 Authority's revenues and receipts to be received under this  
25 Act for the benefit of the owner of the facility as further  
26 security for performance by the Authority of its

1 obligations under the loan agreement; and (iii) provisions  
2 requiring the establishment of reserves by the Authority or  
3 by the owner, or both, as further security for the  
4 performance of their respective obligations under the loan  
5 agreement.

6 (9) Borrow money from any source for any lawful  
7 purpose, including working capital for its operations,  
8 reserve funds, or interest, and to mortgage, pledge or  
9 otherwise encumber the property or funds of the Authority  
10 and to contract with or engage the services of any person  
11 in connection with any financing, including financial  
12 institutions, issuers of letters of credit, or insurers and  
13 enter into reimbursement agreements with this person which  
14 may be secured as if money were borrowed from the person.

15 (10) Receive and accept from any private or public  
16 source, contributions, gifts, or grants of money or  
17 property.

18 (11) Make loans from proceeds or funds otherwise  
19 available to the extent necessary or appropriate to  
20 accomplish the purposes of the Authority.

21 (12) Provide for the insurance of any property,  
22 operations, officers, agents, or employees of the  
23 Authority against any risk or hazard and provide for the  
24 indemnification of its members, employees, contractors, or  
25 agents against any and all risks.

26 (13) Provide relocation assistance and compensation

1 for landowners and their lessees displaced by any land  
2 acquisition of the Authority, including the acquisition of  
3 land and construction of replacement housing thereon as the  
4 Authority shall determine.

5 (14) Exercise all the corporate powers granted  
6 Illinois corporations under the Business Corporation Act  
7 of 1983, except to the extent that powers are inconsistent  
8 with those of a body politic and corporate of the State.

9 (15) Determine the locations of, develop, design,  
10 establish, construct, erect, acquire, own, repair,  
11 reconstruct, renovate, remodel, add to, extend, improve,  
12 equip, operate, regulate and maintain facilities and  
13 provide financial assistance to governmental owners or  
14 their tenants or both, pursuant to an assistance agreement  
15 to do the foregoing, in each case to the extent necessary  
16 to accomplish the purposes of the Authority.

17 (16) Regulate the use and operation of facilities that  
18 are developed under the provisions of this Act.

19 (17) Enter into one or more management agreements which  
20 conform to the requirements of this Act and which may  
21 contain such provisions as the Authority shall determine,  
22 including, without limitation (i) provisions allocating  
23 receipts from rents, rates, fees, and charges for use of  
24 the facility or for services rendered in connection with  
25 the facility between the Authority and the tenant of the  
26 facility; (ii) provisions providing for or limiting

1 payments to the Authority for use of the facility based on  
2 levels of attendance or receipts, or both attendance and  
3 receipts, of the tenant from admission charges, parking  
4 concessions, advertising, radio and television, and other  
5 sources; (iii) provisions obligating the Authority to make  
6 payments to the tenant with respect to expenses of routine  
7 maintenance and operation of any facility and operating  
8 expenses of the tenant with respect to use of the facility;  
9 (iv) provisions requiring the Authority to pay liquidated  
10 damages to the tenant for failure of timely completion of  
11 construction of any new facility; (v) provisions  
12 permitting the Authority to grant rent-free occupancy of an  
13 existing facility pending completion of construction of  
14 any new facility and requiring the Authority to pay certain  
15 incremental costs of maintenance, repair, replacement, and  
16 operation of an existing facility in the event of failure  
17 of timely completion of construction of any new facility;  
18 (vi) provisions requiring the Authority to reimburse the  
19 tenant for certain State and local taxes and provisions  
20 permitting reductions of payments due the Authority by the  
21 tenant or reimbursement of the tenant by the Authority in  
22 the event of imposition of certain new State and local  
23 taxes, or the increase above specified levels of certain  
24 existing State and local taxes, or both; (vii) provisions  
25 obligating the Authority to purchase tickets to events  
26 conducted by the tenant based upon specified attendance

1 levels; (viii) provisions granting the tenant the right and  
2 option to extend the term of the management agreement; and  
3 (ix) provisions requiring the establishment of reserves by  
4 the Authority or by the tenant, or both, as further  
5 security for the performance of their respective  
6 obligations under the management agreement.

7 (18) Enter into one or more assistance agreements that  
8 conform to the requirements of this Act and that may  
9 contain such provisions as the Authority shall determine  
10 establishing the rights and obligations of the Authority  
11 and the governmental owner or a tenant, or both, with  
12 respect to the facility for which the Authority is to  
13 provide financial assistance.

14 (19) Issue bonds or notes under Section 100 of this  
15 Act.

16 (20) Sell, convey, lease, or grant a permit or license  
17 with respect to, or by agreement authorize another person  
18 on its behalf to sell, convey, lease or grant a permit or  
19 license with respect to (i) the right to use or the right  
20 to purchase tickets to use, or any other interest in, any  
21 seat or area within a facility; (ii) the right to name or  
22 place advertising in all or any part of a facility; or  
23 (iii) any intangible personal property rights, including  
24 intellectual property rights, appurtenant to any facility,  
25 the proceeds of which are used for the purpose of carrying  
26 out the powers granted by the Act.

1           (21) Do all things necessary or convenient to carry out  
2           the powers granted by this Act.

3           (b) The Authority may adopt such rules as are necessary to  
4           carry out those powers conferred and perform those duties  
5           required by this Act.

6           Section 40. Duties.

7           (a) In addition to the powers set forth elsewhere in this  
8           Act, subject to the terms of any agreements with the holders of  
9           the Authority's evidences of indebtedness, the Authority shall  
10          do the following:

11           (1) Comply with all zoning, building, and land use  
12           controls of the municipality within which is located any  
13           stadium facility owned by the Authority or for which the  
14           Authority provides financial assistance.

15           (2) Enter into a loan agreement with an owner of a  
16           facility to finance the acquisition, construction,  
17           maintenance, or rehabilitation of the facility. The  
18           agreement shall contain appropriate and reasonable  
19           provisions with respect to termination, default, and legal  
20           remedies. The loan may be at below-market interest rates.

21           (3) Create and maintain a financial reserve for repair  
22           and replacement of capital assets.

23           (b) In a loan agreement for the construction of a new  
24           facility, in connection with prequalification of general  
25           contractors for construction of the facility, the Authority

1 shall require that the owner of the facility require submission  
2 of a commitment detailing how the general contractor will  
3 expend 25% or more of the dollar value of the general contract  
4 with one or more minority business enterprises and 5% or more  
5 of the dollar value with one or more female business  
6 enterprises. This commitment may be met by contractor's status  
7 as a minority business enterprise or female business  
8 enterprise, by a joint venture, or by subcontracting a portion  
9 of the work with or by purchasing materials for the work from  
10 one or more such enterprises, or by any combination thereof.  
11 Any contract with the general contractor for construction of  
12 the new facility shall require the general contractor to meet  
13 the foregoing obligations and shall require monthly reporting  
14 to the Authority with respect to the status of the  
15 implementation of the contractor's affirmative action plan and  
16 compliance with that plan. This report shall be filed with the  
17 General Assembly. The Authority shall require that the facility  
18 owner establish and maintain an affirmative action program  
19 designed to promote equal employment opportunity and that  
20 specifies the goals and methods for increasing participation by  
21 minorities and women in a representative mix of job  
22 classifications required to perform the respective contracts.  
23 The Authority shall file a report before March 1 of each year  
24 with the General Assembly detailing its implementation of this  
25 subsection. The terms "minority business enterprise" and  
26 "female business enterprise" have the meanings provided in the

1 Business Enterprise for Minorities, Females, and Persons with  
2 Disabilities Act.

3 (c) With respect to a facility owned or to be owned by the  
4 Authority, enter or have entered into a management agreement  
5 with a tenant of the Authority to operate the facility that  
6 requires the tenant to operate the facility for a period at  
7 least as long as the term of any bonds issued to finance the  
8 development, establishment, construction, erection,  
9 acquisition, repair, reconstruction, remodeling, adding to,  
10 extension, improvement, equipping, operation, and maintenance  
11 of the facility. Such agreement shall contain appropriate and  
12 reasonable provisions with respect to termination, default,  
13 and legal remedies.

14 Section 45. Reporting.

15 Promptly following entering into a management agreement, an  
16 assistance agreement, or a loan agreement involving a new  
17 facility or facility site, the Authority shall submit a  
18 detailed written report and findings of the Authority with  
19 respect to the proposed management agreement, assistance  
20 agreement, or loan agreement to the General Assembly.

21 The report and findings of the Authority shall include the  
22 following:

23 (A) A detailed plan of the method of funding the  
24 management agreement, assistance agreement, or loan  
25 agreement;



1           (B) An evaluation of the economic consequences of the  
2           proposed management agreement, assistance agreement, or  
3           loan agreement; and

4           (C) If applicable, an analysis of the reasons for  
5           acquiring a site for constructing a new facility.

6           Section 50. Territory. The territory of the Authority is  
7           coterminous with the boundaries of the counties of Kane, Lake,  
8           McHenry, DuPage, and Will.

9           Section 55. Acquisition of property. The Authority may  
10          acquire in its own name, by gift or purchase, any real or  
11          personal property, or interests in real or personal property,  
12          necessary or convenient to carry out its corporate purposes.  
13          The Authority may not acquire property by eminent domain.

14          Section 60. Tax exemption.

15          (a) Neither the Authority nor any governmental owner of a  
16          facility or that governmental owner's tenant shall be required  
17          to pay property taxes on any facility, nor shall the interest  
18          of a tenant in any facility either owned by the Authority or  
19          owned by any governmental owner to which the Authority has  
20          provided financial assistance be subject to property taxes.

21          (b) Bonds issued by the Authority, their transfer, the  
22          interest payable on them, and any income derived from them  
23          shall be exempt from income taxes or from taxation by any

1 political subdivisions, municipal corporations, or public  
2 agencies of any kind of this State. For purposes of Section 250  
3 of the Illinois Income Tax Act, the exemption of the income  
4 from bonds issued by the Authority shall terminate after all of  
5 the bonds have been paid. The amount of such income that shall  
6 be added and then subtracted on the Illinois income tax return  
7 of a taxpayer, pursuant to Section 203 of the Illinois Income  
8 Tax Act, from federal adjusted gross income or federal taxable  
9 income in computing Illinois base income shall be the interest  
10 net of any bond premium amortization.

11 Section 65. Conflicts of interest; generally.

12 (a) No members or employees of the Authority shall be  
13 employed by, be an officer or director of, or have any  
14 ownership interest in any corporation or entity that is a party  
15 to a loan agreement with the Authority under this Act.

16 (b) No moneys of the Authority shall be deposited in any  
17 financial institution in which any officer, director, or holder  
18 of a substantial proprietary interest is also a member or  
19 employee of the Authority.

20 (c) No real estate to which a member or employee of the  
21 Authority holds legal title or in which such a person has any  
22 beneficial interest, including any interest in a land trust,  
23 shall be purchased by the Authority, nor shall any such  
24 property be purchased by a corporation or entity for a facility  
25 to be financed under this Act. Every member and employee of the

1 Authority shall file annually with the Authority a record of  
2 all real estate in this State to which the person holds legal  
3 title or in which the person has any beneficial interest,  
4 including any interest in a land trust. In the event it is  
5 later disclosed that the Authority or other entity has  
6 purchased real estate in which a member or employee had an  
7 interest, the purchase shall be voidable by the Authority and  
8 the member or employee involved shall be disqualified from  
9 membership in or employment by the Authority.

10 Section 70. Conflicts of interest; contracts.

11 (a) No member of the Authority or officer, agent, or  
12 employee of the Authority shall, in his or her own name or in  
13 the name of a nominee, be an officer or director of or hold an  
14 ownership interest of more than 7.5% in any person,  
15 association, trust, corporation, partnership, or other entity  
16 that is, in its own name or in the name of a nominee, a party to  
17 a contract or agreement upon which the member or officer,  
18 agent, or employee may be called upon to act or vote.

19 (b) With respect to any direct or any indirect interest,  
20 other than an interest prohibited in subsection (a), in a  
21 contract or agreement upon which the member or officer, agent,  
22 or employee may be called upon to act or vote, a member of the  
23 Authority or officer, agent, or employee of the Authority shall  
24 disclose the same to the secretary of the Authority before the  
25 taking of final action by the Authority concerning the contract

1 or agreement and shall so disclose the nature and extent of  
2 such interest and his or her acquisition thereof, which  
3 disclosures shall be publicly acknowledged by the Authority and  
4 entered upon the minutes of the Authority. If a member of the  
5 Authority or officer, agent, or employee of the Authority holds  
6 such an interest, then he or she shall refrain from any further  
7 official involvement in regard to the contract or agreement,  
8 from voting on any matter pertaining to the contract or  
9 agreement, and from communicating with other members of the  
10 Authority or its officers, agents, and employees concerning the  
11 contract or agreement. Notwithstanding any other provision of  
12 law, any contract or agreement entered into in conformity with  
13 this subsection (b) shall not be void or invalid by reason of  
14 the interest described in this subsection, nor shall any person  
15 so disclosing the interest and refraining from further official  
16 involvement as provided in this subsection be guilty of an  
17 offense, be removed from office, or be subject to any other  
18 penalty on account of such interest.

19 (c) Any contract or agreement made in violation of  
20 subsection (a) or (b) of this Section shall be null and void  
21 and give rise to no action against the Authority.

22 Section 75. Records and reports of the Authority. The  
23 secretary shall keep a record of the proceedings of the  
24 Authority. The treasurer of the Authority shall be custodian of  
25 all Authority funds and shall be bonded in the amount the other

1 members of the Authority may designate. The accounts and books  
2 of the Authority shall be set up and maintained in a manner  
3 approved by the Auditor General, and the Authority shall file  
4 with the Auditor General a certified annual report within 120  
5 days after the close of its fiscal year. The Authority shall  
6 also file with the Governor, the Secretary of the Senate, the  
7 Clerk of the House of Representatives, and the Commission on  
8 Government Forecasting and Accountability, by March 1 of each  
9 year, a written report covering its activities for the previous  
10 fiscal year. So filed, the report shall be a public record and  
11 open for inspection at the offices of the Authority during  
12 normal business hours.

13 Section 80. No impairment of loan agreement. The State of  
14 Illinois pledges to and agrees with any facility owner under  
15 any loan agreement entered into by the Authority with respect  
16 to a facility that the State will not limit or alter the rights  
17 and powers vested in the Authority by this Act so as to impair  
18 the terms of the loan agreement or in any way impair the rights  
19 and remedies of the owner so long as the owner is not in  
20 default under the loan agreement. In addition, the State  
21 pledges to and agrees with the owner that the State will not  
22 limit the basis on which State funds are to be allocated,  
23 deposited, and paid to the Authority, or the use of those  
24 funds, so as to impair the terms of any such loan agreement.  
25 The Authority is authorized to include this pledge and

1 agreement of the State in the loan agreement.

2 Section 85. Volume cap. Notwithstanding any other  
3 provision of law, the Governor may allocate any volume cap  
4 available to the State or any of its agencies under the  
5 Internal Revenue Code of 1986, including any amounts carried  
6 forward by the State or any of its agencies with respect to  
7 stadiums, to the Collar Counties Sports Facilities Authority,  
8 and the Authority may carry forward any amount allocated to it  
9 by the Governor or by any home rule unit.

10 Section 90. Bonds and notes.

11 (a) (1) The Authority may at any time and from time to time  
12 issue bonds and notes for any corporate purpose, including the  
13 establishment of reserves and the payment of interest and costs  
14 of issuance. In this Act the term "bonds" includes notes of any  
15 kind, interim certificates, refunding bonds or any other  
16 evidence of obligation for borrowed money issued under this  
17 Section. Bonds may be issued in one or more series and may be  
18 payable and secured either on a parity with or separately from  
19 other bonds.

20 (2) The bonds of any issue shall be payable solely from all  
21 or any part of the property or revenues of the Authority,  
22 including, without limitation:

23 (i) Rents, rates, fees, charges, or other revenues  
24 payable to or any receipts of the Authority, including

1 amounts which are deposited pursuant to the Act with a  
2 trustee for bondholders;

3 (ii) Payments by financial institutions, insurance  
4 companies, or others pursuant to letters or lines of  
5 credit, policies of insurance, or purchase agreements;

6 (iii) Investment earnings from funds or accounts  
7 maintained pursuant to a bond resolution or trust  
8 agreement; and

9 (iv) Proceeds of refunding bonds.

10 (3) Bonds may be authorized by a resolution of the  
11 Authority and may be secured by a trust agreement by and  
12 between the Authority and a corporate trustee or trustees,  
13 which may be any trust company or bank having the powers of a  
14 trust company within or without the State. Bonds may:

15 (i) Mature at a time or times, whether as serial bonds,  
16 as term bonds, or as both, not exceeding 40 years from  
17 their respective dates of issue;

18 (ii) Notwithstanding the provision of "An Act to  
19 authorize public corporations to issue bonds, other  
20 evidences of indebtedness and tax anticipation warrants  
21 subject to interest rate limitations set forth therein",  
22 approved May 26, 1970, as now or hereafter amended, or any  
23 other provision of law, bear interest at any fixed or  
24 variable rate or rates determined by the method provided in  
25 the resolution or trust agreement;

26 (iii) Be payable at a time or times, in the

1 denominations and form, either coupon, or registered, or  
2 both, and carry the registration and privileges as to  
3 exchange, transfer or conversion and for the replacement of  
4 mutilated, lost or destroyed bonds as the resolution or  
5 trust agreement may provide;

6 (iv) Be payable in lawful money of the United States at  
7 a designated place;

8 (v) Be subject to the terms of purchase, payment,  
9 redemption, refunding, or refinancing that the resolution  
10 or trust agreement provides;

11 (vi) Be executed by the manual or facsimile signatures  
12 of the officers of the Authority designated by the  
13 Authority which signatures shall be valid at delivery even  
14 for one who has ceased to hold office; and

15 (vii) Be sold in the manner and upon the terms  
16 determined by the Authority.

17 (b) Any resolution or trust agreement may contain  
18 provisions which shall be part of the contract with the holders  
19 of the bonds as to:

20 (1) Pledging, assigning, or directing the use,  
21 investment, or disposition of all or any part of the  
22 revenues of the Authority or proceeds or benefits of any  
23 contract including, without limit, any management  
24 agreement or assistance agreement and conveying or  
25 otherwise securing any property or property rights;

26 (2) The setting aside of loan funding deposits, debt



1 service reserves, capitalized interest accounts,  
2 replacement or operating reserves, cost of issuance  
3 accounts and sinking funds, and the regulation,  
4 investment, and disposition thereof;

5 (3) Limitations on the purposes to which or the  
6 investments in which the proceeds of sale of any issue of  
7 bonds or the Authority's revenues and receipts may be  
8 applied or made;

9 (4) Limitations on the issue of additional bonds, the  
10 terms upon which additional bonds may be issued and  
11 secured, the terms upon which additional bonds may rank on  
12 a parity with, or be subordinate or superior to, other  
13 bonds;

14 (5) The refinancing, advance refunding, or refinancing  
15 of outstanding bonds;

16 (6) The procedure, if any, by which the terms of any  
17 contract with bondholders may be altered or amended and the  
18 amount of bonds and holders of which must consent thereto,  
19 and the manner in which consent shall be given;

20 (7) Defining the acts or omissions which shall  
21 constitute a default in the duties of the Authority to  
22 holders of bonds and providing the rights or remedies of  
23 such holders in the event of a default which may include  
24 provisions restricting individual right of action by  
25 bondholders;

26 (8) Providing for guarantees, pledges of property,

1 letters of credit, or other security, or insurance for the  
2 benefit of bondholders; and

3 (9) Any other matter relating to the bonds which the  
4 Authority determines appropriate.

5 (c) No member of the Authority nor any person executing the  
6 bonds shall be liable personally on the bonds or subject to any  
7 personal liability by reason of the issuance of the bonds.

8 (d) The Authority may enter into agreements with agents,  
9 banks, insurers, or others for the purpose of enhancing the  
10 marketability of or security for its bonds.

11 (e) (1) A pledge by the Authority of revenues and receipts  
12 as security for an issue of bonds or for the performance of its  
13 obligations under any management agreement or assistance  
14 agreement shall be valid and binding from the time when the  
15 pledge is made.

16 (2) The revenues and receipts pledged shall  
17 immediately be subject to the lien of the pledge without  
18 any physical delivery or further act, and the lien of any  
19 pledge shall be valid and binding against any person having  
20 any claim of any kind in tort, contract or otherwise  
21 against the Authority, irrespective of whether the person  
22 has notice.

23 (3) No resolution, trust agreement, management  
24 agreement or assistance agreement or any financing  
25 statement, continuation statement, or other instrument  
26 adopted or entered into by the Authority need be filed or

1 recorded in any public record other than the records of the  
2 Authority in order to perfect the lien against third  
3 persons, regardless of any contrary provision of law.

4 (f) The Authority may issue bonds to refund, advance  
5 refund, or refinance any of its bonds then outstanding,  
6 including the payment of any redemption premium and any  
7 interest accrued or to accrue to the earliest or any subsequent  
8 date of redemption, purchase or maturity of the bonds.  
9 Refunding or advance refunding bonds may be issued for the  
10 public purposes of realizing savings in the effective costs of  
11 debt service, directly or through a debt restructuring, for  
12 alleviating impending or actual default, or for paying  
13 principal of, redemption premium, if any, and interest on bonds  
14 as they mature or are subject to redemption, and may be issued  
15 in one or more series in an amount in excess of that of the  
16 bonds to be refunded.

17 (g) At no time shall the total outstanding bonds and notes  
18 of the Authority issued under this Section 100 exceed (i)  
19 \$100,000,000 in connection with facilities owned by the  
20 Authority; and (ii) \$100,000,000 in connection with facilities  
21 owned by a governmental owner other than the Authority. Bonds  
22 which are being paid or retired by issuance, sale or delivery  
23 of bonds or notes, and bonds or notes for which sufficient  
24 funds have been deposited with the paying agent or trustee to  
25 provide for payment of principal and interest thereon, and any  
26 redemption premium, as provided in the authorizing resolution,

1 shall not be considered outstanding for the purposes of this  
2 paragraph.

3 (h) The bonds and notes of the Authority shall not be  
4 indebtedness of the State, or of any political subdivision of  
5 the State other than the Authority. The bonds and notes of the  
6 Authority are not general obligations of the State of Illinois,  
7 or of any other political subdivision of the State other than  
8 the Authority, and are not secured by a pledge of the full  
9 faith and credit of the State of Illinois, or of any other  
10 political subdivision of the State other than the Authority,  
11 and the holders of bonds and notes of the Authority may not  
12 require the levy or imposition by the State, or any other  
13 political subdivision of the State other than the Authority, of  
14 any taxes or, except as provided in this Act, the application  
15 of revenues or funds of the State of Illinois, or any other  
16 political subdivision of the State other than the Authority, to  
17 the payment of bonds and notes of the Authority.

18 (i) In order to provide for the payment of debt service  
19 requirements (including amounts for reserve funds and to pay  
20 the costs of credit enhancements) on bonds issued pursuant to  
21 this Act, the Authority may provide in any trust agreement  
22 securing such bonds for a pledge and assignment of its right to  
23 all amounts to be received from the Illinois Sports Facilities  
24 Fund and for a pledge and assignment (subject to the terms of  
25 any management agreement or assistance agreement) of all taxes  
26 and other amounts to be received under Section 100 of this Act

1 and may further provide written notice to the State Treasurer  
2 and State Comptroller (which notice shall constitute a  
3 direction to those officers) for a direct payment of these  
4 amounts to the trustee for its bondholders.

5 (j) The State of Illinois pledges to and agrees with the  
6 holders of the bonds and notes of the Authority issued pursuant  
7 to this Act that the State will not limit or alter the rights  
8 and powers vested in the Authority by this Act so as to impair  
9 the terms of any contract made by the Authority with such  
10 holders or in any way impair the rights and remedies of such  
11 holders until such bonds and notes, together with interest  
12 thereon, with interest on any unpaid installments of interest,  
13 and all costs and expenses in connection with any action or  
14 proceedings by or on behalf of such holders, are fully met and  
15 discharged. In addition, the State pledges to and agrees with  
16 the holders of the bonds and notes of the Authority issued  
17 pursuant to this Act that the State will not limit or alter the  
18 basis on which State funds are to be allocated, deposited and  
19 paid to the Authority as provided in this Act, or the use of  
20 such funds, so as to impair the terms of any such contract. The  
21 Authority is authorized to include these pledges and agreements  
22 of the State in any contract with the holders of bonds or notes  
23 issued pursuant to this Section.

24 Section 95. Tax. The Authority may impose an occupation tax  
25 upon all persons engaged in the business of renting, leasing,

1 or letting rooms in a hotel, as defined in the Hotel Operators'  
2 Occupation Tax Act, at a rate not to exceed 2% of the gross  
3 rental receipts from the renting, leasing or letting of hotel  
4 rooms. The taxing may be imposed, however, only if approved by  
5 ordinance of the municipality within which the tax is to be  
6 imposed.

7 The tax imposed by the Authority pursuant to this Section  
8 and all civil penalties that may be assessed as an incident  
9 thereof shall be collected and enforced by the State Department  
10 of Revenue. The certificate of registration which is issued by  
11 the Department to a lessor under the Hotel Operators'  
12 Occupation Tax Act shall permit such registrant to engage in a  
13 business which is taxable under any ordinance or resolution  
14 enacted pursuant to this Section without registering  
15 separately with the Department under such ordinance or  
16 resolution or under this Section. The Department shall have  
17 full power to administer and enforce this Section; to collect  
18 all taxes and penalties due hereunder; to dispose of taxes and  
19 penalties so collected in the manner provided in this Section,  
20 and to determine all rights to credit memoranda, arising on  
21 account of the erroneous payment of tax or penalty hereunder.  
22 In the administration of, and compliance with, this Section,  
23 the Department and persons who are subject to this Section  
24 shall have the same rights, remedies, privileges, immunities,  
25 powers and duties, and be subject to the same conditions,  
26 restrictions, limitations, penalties and definitions of terms,

1 and employ the same modes of procedure, as are prescribed in  
2 the Hotel Operators' Occupation Tax Act (except where that Act  
3 is inconsistent herewith), as the same is now or may hereafter  
4 be amended, as fully as if the provisions contained in the  
5 Hotel Operators' Occupation Tax Act were set forth herein.

6 Whenever the Department determines that a refund should be  
7 made under this Section to a claimant instead of issuing a  
8 credit memorandum, the Department shall notify the State  
9 Comptroller, who shall cause the warrant to be drawn for the  
10 amount specified, and to the person named, in such notification  
11 from the Department. Such refund shall be paid by the State  
12 Treasurer out of the amounts held by the State Treasurer as  
13 trustee for the Authority.

14 Persons subject to any tax imposed pursuant to authority  
15 granted by this Section may reimburse themselves for their tax  
16 liability for such tax by separately stating such tax as an  
17 additional charge, which charge may be stated in combination,  
18 in a single amount, with State tax imposed under the Hotel  
19 Operators' Occupation Tax Act.

20 The Department shall forthwith pay over to the State  
21 Treasurer, ex-officio, as trustee for the Authority, all taxes  
22 and penalties collected hereunder for deposit in a trust fund  
23 outside the State Treasury. On or before the 25th day of each  
24 calendar month, the Department shall certify to the Comptroller  
25 the amount to be paid to or on behalf of the Authority from  
26 amounts collected hereunder by the Department, and deposited

1 into such trust fund during the second preceding calendar  
2 month. The amount to be paid to or on behalf of the Authority  
3 shall be the amount (not including credit memoranda) collected  
4 hereunder during such second preceding calendar month by the  
5 Department, less an amount equal to the amount of refunds  
6 authorized during such second preceding calendar month by the  
7 Department on behalf of the Authority, and less 4% of such  
8 balance, which sum shall be retained by the State Treasurer to  
9 cover the costs incurred by the Department in administering and  
10 enforcing the provisions of this Section, as provided herein.  
11 Each such monthly certification by the Department shall also  
12 certify to the Comptroller the amount to be so retained by the  
13 State Treasurer for payment into the General Revenue Fund of  
14 the State Treasury.

15 Amounts collected by the Department and paid to the  
16 Authority pursuant to this Section shall be used for the  
17 corporate purposes of the Authority.

18 Nothing in this Section shall be construed to authorize the  
19 Authority to impose a tax upon the privilege of engaging in any  
20 business which under the constitution of the United States may  
21 not be made the subject of taxation by this State.

22 An ordinance or resolution imposing or discontinuing a tax  
23 hereunder or effecting a change in the rate thereof shall be  
24 effective on the first day of the second calendar month next  
25 following the month in which the ordinance or resolution is  
26 passed.



1           If the Authority levies a tax authorized by this Section it  
2 shall transmit to the Department of Revenue not later than 5  
3 days after the adoption of the ordinance or resolution a  
4 certified copy of the ordinance or resolution imposing such tax  
5 whereupon the Department of Revenue shall proceed to administer  
6 and enforce this Section on behalf of the Authority. Upon a  
7 change in rate of a tax levied hereunder, or upon the  
8 discontinuance of the tax, the Authority shall not later than 5  
9 days after the effective date of the ordinance or resolution  
10 discontinuing the tax or effecting a change in rate transmit to  
11 the Department of Revenue a certified copy of the ordinance or  
12 resolution effecting such change or discontinuance.