

AN ACT in relation to economic development.

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

Section 1. Short title. This Act may be cited as the Eastern Illinois Economic Development Authority Act.

Section 5. Findings. The General Assembly determines and declares the following:

(1) that labor surplus areas currently exist in eastern Illinois;

(2) that the economic burdens resulting from involuntary unemployment fall, in part, upon the State in the form of increased need for public assistance and reduced tax revenues and, in the event that the unemployed worker and his or her family migrate elsewhere to find work, the burden may also fall upon the municipalities and other taxing districts within the areas of unemployment in the form of reduced tax revenues, thereby endangering their financial ability to support necessary governmental services for their remaining inhabitants;

(3) that the State has a responsibility to help create a favorable climate for new and improved job opportunities for its citizens by encouraging the development of commercial and service businesses and industrial and manufacturing plants within eastern Illinois;

(4) that a lack of decent housing contributes to urban blight, crime, anti-social behavior, disease, a higher need for public assistance, reduced tax revenues, and the migration of workers and their families away from areas which fail to offer adequate, decent, and affordable housing;

(5) that decent, affordable housing is a necessary ingredient of life affording each citizen basic human dignity, a sense of self-worth, confidence, and a firm foundation upon

which to build a family and educate children;

(6) that in order to foster civic and neighborhood pride, citizens require access to educational institutions, recreation, parks and open spaces, entertainment, sports, a reliable transportation network, cultural facilities, and theaters; and

(7) that the main purpose of this Act is to promote industrial, commercial, residential, service, transportation, and recreational activities and facilities, thereby reducing the evils attendant upon unemployment and enhancing the public health, safety, morals, happiness, and general welfare of the State.

Section 10. Definitions. In this Act:

"Authority" means the Eastern Illinois Economic Development Authority.

"Governmental agency" means any federal, State, or local governmental body and any agency or instrumentality thereof, corporate or otherwise.

"Person" means any natural person, firm, partnership, corporation, both domestic and foreign, company, association or joint stock association and includes any trustee, receiver, assignee or personal representative thereof.

"Revenue bond" means any bond issued by the Authority, the principal and interest of which is payable solely from revenues or income derived from any project or activity of the Authority.

"Board" means the Board of Directors of the Eastern Illinois Economic Development Authority.

"Governor" means the Governor of the State of Illinois.

"City" means any city, village, incorporated town, or township within the geographical territory of the Authority.

"Industrial project" means the following:

(1) a capital project, including one or more buildings and other structures, improvements, machinery and equipment whether or not on the same site or sites now existing or

hereafter acquired, suitable for use by any manufacturing, industrial, research, transportation or commercial enterprise including but not limited to use as a factory, mill, processing plant, assembly plant, packaging plant, fabricating plant, ethanol plant, office building, industrial distribution center, warehouse, repair, overhaul or service facility, freight terminal, research facility, test facility, railroad facility, port facility, solid waste and wastewater treatment and disposal sites and other pollution control facilities, resource or waste reduction, recovery, treatment and disposal facilities, and including also the sites thereof and other rights in land therefore whether improved or unimproved, site preparation and landscaping and all appurtenances and facilities incidental thereto such as utilities, access roads, railroad sidings, truck docking and similar facilities, parking facilities, dockage, wharfage, railroad roadbed, track, trestle, depot, terminal, switching and signaling equipment or related equipment and other improvements necessary or convenient thereto; or

(2) any land, buildings, machinery or equipment comprising an addition to or renovation, rehabilitation or improvement of any existing capital project.

"Commercial project" means any project, including, but not limited to, one or more buildings and other structures, improvements, machinery, and equipment, whether or not on the same site or sites now existing or hereafter acquired, suitable for use by any retail or wholesale concern, distributorship, or agency.

"Project" means an industrial, housing, residential, commercial, or service project, or any combination thereof, provided that all uses fall within one of the categories described above. Any project automatically includes all site improvements and new construction involving sidewalks, sewers, solid waste and wastewater treatment and disposal sites and other pollution control facilities, resource or waste reduction, recovery, treatment and disposal facilities, parks,

open spaces, wildlife sanctuaries, streets, highways, and runways.

"Lease agreement" means an agreement in which a project acquired by the Authority by purchase, gift, or lease is leased to any person or corporation that will use, or cause the project to be used, as a project, upon terms providing for lease rental payments at least sufficient to pay, when due, all principal of and interest and premium, if any, on any bonds, notes, or other evidences of indebtedness of the Authority, issued with respect to the project, providing for the maintenance, insurance, and operation of the project on terms satisfactory to the Authority and providing for disposition of the project upon termination of the lease term, including purchase options or abandonment of the premises, with other terms as may be deemed desirable by the Authority.

"Loan agreement" means any agreement in which the Authority agrees to loan the proceeds of its bonds, notes, or other evidences of indebtedness, issued with respect to a project, to any person or corporation which will use or cause the project to be used as a project, upon terms providing for loan repayment installments at least sufficient to pay, when due, all principal of and interest and premium, if any, on any bonds, notes, or other evidences of indebtedness of the Authority issued with respect to the project, providing for maintenance, insurance, and operation of the project on terms satisfactory to the Authority and providing for other terms deemed advisable by the Authority.

"Financial aid" means the expenditure of Authority funds or funds provided by the Authority for the development, construction, acquisition or improvement of a project, through the issuance of revenue bonds, notes, or other evidences of indebtedness.

"Costs incurred in connection with the development, construction, acquisition or improvement of a project" means the following:

- (1) the cost of purchase and construction of all lands and

improvements in connection therewith and equipment and other property, rights, easements, and franchises acquired which are deemed necessary for the construction;

(2) financing charges;

(3) interest costs with respect to bonds, notes, and other evidences of indebtedness of the Authority prior to and during construction and for a period of 6 months thereafter;

(4) engineering and legal expenses; and

(5) the costs of plans, specifications, surveys, and estimates of costs and other expenses necessary or incident to determining the feasibility or practicability of any project, together with such other expenses as may be necessary or incident to the financing, insuring, acquisition, and construction of a specific project and the placing of the same in operation.

Section 15. Creation.

(a) There is created a political subdivision, body politic, and municipal corporation named the Eastern Illinois Economic Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of the following counties: Ford, Iroquois, Piatt, Champaign, Vermilion, Douglas, Moultrie, Shelby, Coles, and Edgar and any navigable waters and air space located therein.

(b) The governing and administrative powers of the Authority shall be vested in a body consisting of 14 members as follows:

(1) Ex officio members. The Director of Commerce and Economic Opportunity, or a designee of that Department, shall serve as an ex officio member.

(2) Public members. Three members shall be appointed by the Governor with the advice and consent of the Senate. The county board chairperson of the following counties shall each appoint one member: Ford, Iroquois, Piatt, Champaign, Vermilion, Douglas, Moultrie, Shelby, Coles, and Edgar. All public members shall reside within the territorial

jurisdiction of the Authority. The public members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, state or local government, commercial agriculture, small business management, real estate development, community development, venture finance, organized labor, or civic or community organization.

(c) 8 members shall constitute a quorum.

(d) The chairperson of the Authority shall be elected annually by the Board and must be a public member that resides within the territorial jurisdiction of the Authority.

(e) The terms of all initial members of the Authority shall begin 30 days after the effective date of this Act. Of the 3 original public members appointed by the Governor, 1 shall serve until the third Monday in January, 2006; 1 shall serve until the third Monday in January, 2007; 1 shall serve until the third Monday in January, 2008. The initial terms of the original public members appointed by the county board chairpersons shall be determined by lot, according to the following schedule: (i) 2 shall serve until the third Monday in January, 2006, (ii) 2 shall serve until the third Monday in January, 2007, (iii) 2 shall serve until the third Monday in January, 2008, (iv) 2 shall serve until the third Monday in January, 2009, and (v) 2 shall serve until the third Monday in January, 2010. All successors to these original public members shall be appointed by the original appointing authority and all appointments made by the Governor shall be made with the advice and consent of the Senate, pursuant to subsection (b), and shall hold office for a term of 6 years commencing the third Monday in January of the year in which their term commences, except in the case of an appointment to fill a vacancy. Vacancies occurring among the public members shall be filled for the remainder of the term. In case of vacancy in a Governor-appointed membership when the Senate is not in session, the Governor may make a temporary appointment until

the next meeting of the Senate when a person shall be nominated to fill the office and, upon confirmation by the Senate, he or she shall hold office during the remainder of the term and until a successor is appointed and qualified. Members of the Authority are not entitled to compensation for their services as members but are entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

(f) The Governor or a county board chairperson, as the case may be, may remove any public member of the Authority in case of incompetence, neglect of duty, or malfeasance in office. The chairperson of a county board may remove any public member appointed by that chairperson in the case of incompetence, neglect of duty, or malfeasance in office.

(g) The Board shall appoint an Executive Director who shall have a background in finance, including familiarity with the legal and procedural requirements of issuing bonds, real estate, or economic development and administration. The Executive Director shall hold office at the discretion of the Board. The Executive Director shall be the chief administrative and operational officer of the Authority, shall direct and supervise its administrative affairs and general management, perform such other duties as may be prescribed from time to time by the members, and receive compensation fixed by the Authority. The Department of Commerce and Economic Opportunity shall pay the compensation of the Executive Director from appropriations received for that purpose. The Executive Director shall attend all meetings of the Authority. However, no action of the Authority shall be invalid on account of the absence of the Executive Director from a meeting. The Authority may engage the services of the Illinois Finance Authority, attorneys, appraisers, engineers, accountants, credit analysts, and other consultants if the Eastern Illinois Economic Development Authority deems it advisable.

Section 20. Duty. All official acts of the Authority shall

require the approval of at least 11 members. It shall be the duty of the Authority to promote development within the geographic confines of Ford, Iroquois, Piatt, Champaign, Vermilion, Douglas, Moultrie, Shelby, Coles, and Edgar counties. The Authority shall use the powers conferred upon it to assist in the development, construction, and acquisition of industrial, commercial, housing, or residential projects within its territorial jurisdiction.

Section 25. Powers.

(a) The Authority possesses all the powers of a body corporate necessary and convenient to accomplish the purposes of this Act, including, without any intended limitation upon the general powers hereby conferred, the following powers:

(1) to enter into loans, contracts, agreements, and mortgages in any matter connected with any of its corporate purposes and to invest its funds;

(2) to sue and be sued;

(3) to utilize services of the Illinois Finance Authority necessary to carry out its purposes;

(4) to have and use a common seal and to alter the seal at its discretion;

(5) to adopt all needful ordinances, resolutions, bylaws, rules, and regulations for the conduct of its business and affairs and for the management and use of the projects developed, constructed, acquired, and improved in furtherance of its purposes;

(6) to designate the fiscal year for the Authority;

(7) to accept and expend appropriations;

(8) to acquire, own, lease, sell, or otherwise dispose of interests in and to real property and improvements situated on that real property and in personal property necessary to fulfill the purposes of the Authority;

(9) to engage in any activity or operation which is incidental to and in furtherance of efficient operation to accomplish the Authority's primary purpose;



(10) to acquire, own, construct, lease, operate, and maintain bridges, terminals, terminal facilities, and port facilities and to fix and collect just, reasonable, and nondiscriminatory charges for the use of such facilities. These charges shall be used to defray the reasonable expenses of the Authority and to pay the principal and interest of any revenue bonds issued by the Authority;

(11) subject to any applicable condition imposed by this Act, to locate, establish and maintain a public airport, public airports and public airport facilities within its corporate limits or within or upon any body of water adjacent thereto and to construct, develop, expand, extend and improve any such airport or airport facility; and

(12) to have and exercise all powers and be subject to all duties usually incident to boards of directors of corporations.

(b) The Authority shall not issue any bonds relating to the financing of a project located within the planning and subdivision control jurisdiction of any municipality or county unless: (i) notice, including a description of the proposed project and the financing for that project, is submitted to the corporate authorities of the municipality or, in the case of a proposed project in an unincorporated area, to the county board and (ii) the corporate authorities of the municipality do not, or the county board does not, adopt a resolution disapproving the project within 45 days after receipt of the notice.

(c) If any of the powers set forth in this Act are exercised within the jurisdictional limits of any municipality, all ordinances of the municipality remain in full force and effect and are controlling.

Section 30. Tax avoidance. Notwithstanding any other provision of law, the Authority shall not enter into any agreement providing for the purchase and lease of tangible personal property which results in the avoidance of taxation

under the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, or the Service Occupation Tax Act, without the prior written consent of the Governor.

Section 35. Bonds.

(a) The Authority, with the written approval of the Governor, shall have the continuing power to issue bonds, notes, or other evidences of indebtedness in an aggregate amount not to exceed \$250,000,000 for the following purposes: (i) development, construction, acquisition, or improvement of projects, including those established by business entities locating or expanding property within the territorial jurisdiction of the Authority; (ii) entering into venture capital agreements with businesses locating or expanding within the territorial jurisdiction of the Authority; (iii) acquisition and improvement of any property necessary and useful in connection therewith; and (iv) for the purposes of the Employee Ownership Assistance Act. For the purpose of evidencing the obligations of the Authority to repay any money borrowed, the Authority may, pursuant to resolution, from time to time, issue and dispose of its interest-bearing revenue bonds, notes, or other evidences of indebtedness and may also from time to time issue and dispose of such bonds, notes, or other evidences of indebtedness to refund, at maturity, at a redemption date or in advance of either, any bonds, notes, or other evidences of indebtedness pursuant to redemption provisions or at any time before maturity. All such bonds, notes, or other evidences of indebtedness shall be payable solely and only from the revenues or income to be derived from loans made with respect to projects, from the leasing or sale of the projects, or from any other funds available to the Authority for such purposes. The bonds, notes, or other evidences of indebtedness may bear such date or dates, may mature at such time or times not exceeding 40 years from their respective dates, may bear interest at such rate or rates not exceeding the maximum rate permitted by the Bond Authorization

Act, may be in such form, may carry such registration privileges, may be executed in such manner, may be payable at such place or places, may be made subject to redemption in such manner and upon such terms, with or without premium, as is stated on the face thereof, may be authenticated in such manner and may contain such terms and covenants as may be provided by an applicable resolution.

(b) The holder or holders of any bonds, notes, or other evidences of indebtedness issued by the Authority may bring suits at law or proceedings in equity to compel the performance and observance by any corporation or person or by the Authority or any of its agents or employees of any contract or covenant made with the holders of the bonds, notes, or other evidences of indebtedness, to compel such corporation, person, the Authority, and any of its agents or employees to perform any duties required to be performed for the benefit of the holders of the bonds, notes, or other evidences of indebtedness by the provision of the resolution authorizing their issuance and to enjoin the corporation, person, the Authority, and any of its agents or employees from taking any action in conflict with any contract or covenant.

(c) If the Authority fails to pay the principal of or interest on any of the bonds or premium, if any, as the bond becomes due, a civil action to compel payment may be instituted in the appropriate circuit court by the holder or holders of the bonds on which the default of payment exists or by an indenture trustee acting on behalf of the holders. Delivery of a summons and a copy of the complaint to the chairman of the Board shall constitute sufficient service to give the circuit court jurisdiction over the subject matter of the suit and jurisdiction over the Authority and its officers named as defendants for the purpose of compelling such payment. Any case, controversy, or cause of action concerning the validity of this Act relates to the revenue of the State of Illinois.

(d) Notwithstanding the form and tenor of any bond, note, or other evidence of indebtedness and in the absence of any

express recital on its face that it is non-negotiable, all such bonds, notes, and other evidences of indebtedness shall be negotiable instruments. Pending the preparation and execution of any bonds, notes, or other evidences of indebtedness, temporary bonds, notes, or evidences of indebtedness may be issued as provided by ordinance.

(e) To secure the payment of any or all of such bonds, notes, or other evidences of indebtedness, the revenues to be received by the Authority from a lease agreement or loan agreement shall be pledged, and, for the purpose of setting forth the covenants and undertakings of the Authority in connection with the issuance of the bonds, notes, or other evidences of indebtedness and the issuance of any additional bonds, notes or other evidences of indebtedness payable from such revenues, income, or other funds to be derived from projects, the Authority may execute and deliver a mortgage or trust agreement. A remedy for any breach or default of the terms of any mortgage or trust agreement by the Authority may be by mandamus proceeding in the appropriate circuit court to compel performance and compliance under the terms of the mortgage or trust agreement, but the trust agreement may prescribe by whom or on whose behalf the action may be instituted.

(f) Bonds or notes shall be secured as provided in the authorizing ordinance which may include, notwithstanding any other provision of this Act, in addition to any other security, a specific pledge, assignment of and lien on, or security interest in any or all revenues or money of the Authority, from whatever source, which may, by law, be used for debt service purposes and a specific pledge, or assignment of and lien on, or security interest in any funds or accounts established or provided for by ordinance of the Authority authorizing the issuance of the bonds or notes.

(g) The State of Illinois pledges to and agrees with the holders of the bonds and notes of the Authority issued pursuant to this Section that the State will not limit or alter the

rights and powers vested in the Authority by this Act so as to impair the terms of any contract made by the Authority with the holders of bonds or notes or in any way impair the rights and remedies of those holders until the bonds and notes, together with interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of the holders, are fully met and discharged. In addition, the State pledges to and agrees with the holders of the bonds and notes of the Authority issued pursuant to this Section that the State will not limit or alter the basis on which State funds are to be paid to the Authority as provided in this Act, or the use of such funds, so as to impair the terms of any such contract. The Authority is authorized to include these pledges and agreements of the State in any contract with the holders of bonds or notes issued pursuant to this Section.

(h) Not less than 30 days prior to the commitment to issue bonds, notes, or other evidences of indebtedness for the purpose of developing, constructing, acquiring, or improving housing or residential projects, as defined in this Act, the Authority shall provide notice to the Executive Director of the Illinois Housing Development Authority. Within 30 days after the notice is provided, the Illinois Housing Development Authority shall, in writing, either express interest in financing the project or notify the Authority that it is not interested in providing financing and that the Authority may finance the project or seek alternative financing.

Section 40. Bonds and notes; exemption from taxation. The creation of the Authority is in all respects for the benefit of the people of Illinois and for the improvement of their health, safety, welfare, comfort, and security, and its purposes are public purposes. In consideration thereof, the notes and bonds of the Authority issued pursuant to this Act and the income from these notes and bonds may be free from all taxation by the State or its political subdivisions, exempt from estate,

transfer, and inheritance taxes. The exemption from taxation provided by the preceding sentence shall apply to the income on any notes or bonds of the Authority only if the Authority in its sole judgment determines that the exemption enhances the marketability of the bonds or notes or reduces the interest rates that would otherwise be borne by the bonds or notes. For purposes of Section 250 of the Illinois Income Tax Act, the exemption of the Authority shall terminate after all of the bonds have been paid. The amount of such income that shall be added and then subtracted on the Illinois income tax return of a taxpayer, subject to Section 203 of the Illinois Income Tax Act, from federal adjusted gross income or federal taxable income in computing Illinois base income shall be the interest net of any bond premium amortization.

Section 45. Acquisition.

(a) The Authority may, but need not, acquire title to any project with respect to which it exercises its authority.

(b) The Authority shall have power to acquire by purchase, lease, gift, or otherwise any property or rights therein from any person or persons, the State of Illinois, any municipal corporation, any local unit of government, the government of the United States and any agency or instrumentality of the United States, any body politic, or any county useful for its purposes, whether improved for the purposes of any prospective project or unimproved. The Authority may also accept any donation of funds for its purposes from any of these sources.

(c) The Authority shall have power to develop, construct, and improve, either under its own direction or through collaboration with any approved applicant, or to acquire, through purchase or otherwise, any project, using for this purpose the proceeds derived from its sale of revenue bonds, notes, or other evidences of indebtedness or governmental loans or grants and shall have the power to hold title to those projects in the name of the Authority.

(d) The Authority shall have the power to enter into

intergovernmental agreements with the State of Illinois, the counties of Ford, Iroquois, Piatt, Champaign, Vermilion, Douglas, Moultrie, Shelby, Coles, or Edgar, the Illinois Development Finance Authority, the Illinois Housing Development Authority, the Illinois Education Facilities Authority, the Illinois Farm Development Authority, the Rural Bond Bank, the United States government and any agency or instrumentality of the United States, any unit of local government located within the territory of the Authority, or any other unit of government to the extent allowed by Article VII, Section 10 of the Illinois Constitution and the Intergovernmental Cooperation Act.

(e) The Authority shall have the power to share employees with other units of government, including agencies of the United States, agencies of the State of Illinois, and agencies or personnel of any unit of local government.

(f) The Authority shall have the power to exercise powers and issue bonds as if it were a municipality so authorized in Divisions 12.1, 74, 74.1, 74.3, and 74.5 of Article 11 of the Illinois Municipal Code.

Section 55. Designation of depository. The Authority shall biennially designate a national or State bank or banks as depositories of its money. Such depositories shall be designated only within the State and upon condition that bonds approved as to form and surety by the Authority and at least equal in amount to the maximum sum expected to be on deposit at any one time shall be first given by such depositories to the Authority, such bonds to be conditioned for the safe keeping and prompt repayment of such deposits. When any of the funds of the Authority shall be deposited by the treasurer in any such depository, the treasurer and the sureties on his or her official bond shall, to such extent, be exempt from liability for the loss of any such deposited funds by reason of the failure, bankruptcy, or any other act or default of such depository; provided that the Authority may accept assignments

of collateral by any depository of its funds to secure such deposits to the same extent and conditioned in the same manner as assignments of collateral are permitted by law to secure deposits of the funds of any city.

Section 60. Taxation prohibited. The Authority shall have no right or authority to levy any tax or special assessment, to pledge the credit of the State or any other subdivision or municipal corporation thereof, or to incur any obligation enforceable upon any property, either within or without the territory of the Authority.

Section 65. Fees. The Authority may collect fees and charges in connection with its loans, commitments, and servicing and may provide technical assistance in the development of the region.

Section 70. Reports. The Authority shall annually submit a report of its finances to the Auditor General. The Authority shall annually submit a report of its activities to the Governor and to the General Assembly.

Section 999. Effective date. This Act takes effect upon becoming law.