

Illinois Compiled Statutes
Special Districts
Quad Cities Regional Economic Development Authority Act, approved
September 22, 1987
70 ILCS 510/

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(70 ILCS 510/)

(70 ILCS 510/1)

Sec. 1. This Act shall be known and may be cited as the "Quad Cities Regional Economic Development Authority Act".

(Source: P.A. 85-713.)

(70 ILCS 510/2)

Sec. 2. The General Assembly hereby determines and declares:

(a) That due to changes in national and international manufacturing and product markets, unstable international currency markets, and increased competition from certain foreign competitors, several industries employing large numbers of Illinoisans in the northwestern part of the State have been adversely impacted;

(b) That labor surplus areas currently exist in the northwestern part of the State;

(c) That the State has an interest in helping to 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 the northwestern part of the State;

(d) That in order to foster civic and neighborhood pride, citizens require gainful and steady employment, decent and affordable housing, access to educational institutions, recreation, parks and open spaces, entertainment and sports, a reliable transportation network, cultural facilities and theaters;

(e) That the main purpose of this Act is to promote industrial, commercial, residential, service, transportation and recreational activities and facilities, thereby enhancing the employment opportunities, public health and general welfare of this State.

(Source: P.A. 85-713.)

(70 ILCS 510/3)

Sec. 3. The following terms, whenever used or referred to in this Act, shall have the following meanings, except in such instances where the context may clearly indicate otherwise:

(a) "Authority" means the Quad Cities Regional Economic Development Authority created by this Act.

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

(c) "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.

(d) "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.

(e) "Board" means the Quad Cities Regional Economic Development Authority Board of Directors.

(f) "Governor" means the Governor of the State of Illinois.

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

(h) "Industrial project" means (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, office building, industrial distribution center, warehouse, repair, overhaul or service facility, freight terminal, research facility, test facility, railroad 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 therefor 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.

(i) "Housing project" or "residential project" includes a specific work or improvement undertaken to provide dwelling accommodations, including the acquisition, construction or rehabilitation of lands, buildings and community facilities and in connection therewith to provide nonhousing facilities which are an integral part of a planned large-scale project or new community.

(j) "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, any cultural facilities of a for-profit or not-for-profit type including but not limited to educational, theatrical, recreational and entertainment, sports facilities, racetracks, stadiums, convention centers, exhibition halls, arenas, opera houses and theaters, waterfront improvements, swimming pools, boat storage, moorage, docking facilities, restaurants, velodromes, coliseums, sports training facilities, parking facilities, terminals, hotels and motels, gymnasiums, medical facilities and port facilities.

(k) "Project" means an industrial, housing, residential, commercial or service project or any combination thereof provided that all uses shall fall within one of the categories described above. Any project, of any nature whatsoever, shall automatically include 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.

(l) "Lease agreement" shall mean an agreement whereby a project acquired by the Authority by purchase, gift or lease is leased to any person or corporation which will use or cause the project to be used as a project as heretofore defined 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 such 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 such other terms as may be deemed desirable by the Authority.

(m) "Loan agreement" means any agreement pursuant to 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 as heretofore defined 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 matters as may be deemed advisable by the Authority.

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

(o) "Costs incurred in connection with the development, construction, acquisition or improvement of a project" means the following: 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 such construction; financing charges; 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;

engineering and legal expenses; 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.

(p) "Terminal" means a public place, station or depot for receiving and delivering passengers, baggage, mail, freight or express matter and any combination thereof in connection with the transportation of persons and property on water or land or in the air.

(q) "Terminal facilities" means all land, buildings, structures, improvements, equipment and appliances useful in the operation of public warehouse, storage and transportation facilities and industrial, manufacturing or commercial activities for the accommodation of or in connection with commerce by water or land or in the air or useful as an aid, or constituting an advantage or convenience to, the safe landing, taking off and navigation of aircraft or the safe and efficient operation or maintenance of a public airport.

(r) "Port facilities" means all public structures, except terminal facilities as defined herein, that are in, over, under or adjacent to navigable waters and are necessary for or incident to the furtherance of water commerce and includes the widening and deepening of slips, harbors and navigable waters.

(s) "Airport" means any locality, either land or water, which is used or designed for the landing and taking off of aircraft or for the location of runways, landing fields, aerodromes, hangars, buildings, structures, airport roadways and other facilities.

(Source: P.A. 85-713.)

(70 ILCS 510/4)

Sec. 4. (a) There is hereby created a political subdivision, body politic and municipal corporation named the Quad Cities Regional Economic Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of Rock Island, Henry, Knox, and Mercer counties in the State of Illinois 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 11 members including, as an ex officio member, the Director of the Department of Commerce and Community Affairs, or his or her designee. The other 10 members of the Authority shall be designated "public members", 6 of whom shall be appointed by the Governor with the advice and consent of the Senate. Of the 6 members appointed by the Governor, one shall be from a city within the Authority's territory with a population of 25,000 or more and the remainder shall be appointed at large. Of the 6 members appointed by the Governor, 2 members shall have business or finance experience. One member shall be appointed by each of the county board chairmen of Rock Island, Henry, Knox, and Mercer Counties with the advice and consent of the respective county board. All public members shall reside within the territorial jurisdiction of this Act. Six members shall constitute a quorum. 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, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The Chairman of the Authority shall be a public member elected by the affirmative vote of not fewer than 6 members of the Authority. The term of the Chairman shall be one year.

(c) The terms of all members of the Authority shall begin 30 days after the effective date of this Act, except (i) the terms of those members added by this amendatory Act of 1989 shall begin 30 days after the effective date of this amendatory Act of 1989 and (ii) the terms of those members added by this amendatory Act of the 92nd General Assembly shall begin 30 days after the effective date of this amendatory Act of the 92nd General Assembly. Of the 10 public members appointed pursuant to this Act, 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1989, 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1990, 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1991, 2 (both of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1992, and 2 (one of whom shall be appointed by the Governor and one of whom shall be appointed by the county board chairman of Knox County) shall serve until the third Monday in January, 2004. The initial

terms of the members appointed by the county board chairmen (other than the county board chairman of Knox County) shall be determined by lot. All successors shall be appointed by the original appointing authority and hold office for a term of 3 years commencing the third Monday in January of the year in which their term commences, except in 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 such office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until a successor shall be appointed and qualified. Members of the Authority shall not be entitled to compensation for their services as members but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

(d) The Governor may remove any public member of the Authority appointed by the Governor in case of incompetency, neglect of duty, or malfeasance in office. The Chairman of a county board may remove any public member of the Authority appointed by such Chairman in the case of incompetency, neglect of duty, or malfeasance in office.

(e) 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, shall perform such other duties as may be prescribed from time to time by the members and shall receive compensation fixed by the Authority. The Authority may engage the services of such other agents and employees, including attorneys, appraisers, engineers, accountants, credit analysts and other consultants, as it may deem advisable and may prescribe their duties and fix their compensation.

(f) The Board shall create a task force to study and make recommendations to the Board on the economic development of the territory within the jurisdiction of this Act. The number of members

constituting the task force shall be set by the Board and may vary from time to time. The Board may set a specific date by which the task force is to submit its final report and recommendations to the Board.

(Source: P.A. 92-63, eff. 7-12-01.)

(70 ILCS 510/5)

Sec. 5. Conflicts of Interest. Members or employees of authority - conflicting relations or interests - effects. (a) No member of the Authority or officer, agent or employee thereof other than the representatives of a professional sports team shall, in his or her own name or in the name of a nominee, be an officer, director or hold an ownership interest of more than 7-1/2% in any person, association, trust, corporation, partnership or other entity which is, in its own name or in the name of a nominee, a party to a contract or agreement upon which the member or officer, agent or employee may be called upon to act or vote.

(b) With respect to any direct or any indirect interest, other than an interest prohibited in subsection (a), in a contract or agreement upon which the member or officer, agent or employee may be called upon to act or vote, a member of the Authority or officer, agent or employee thereof shall disclose the same to the secretary of the Authority prior to the taking of final action by the Authority concerning such contract or agreement and shall so disclose the nature and extent of such interest and his or her acquisition thereof, which disclosures shall be publicly acknowledged by the Authority and entered upon the minutes of the Authority. If a member of the Authority or officer, agent or employee thereof holds such an interest then he or she shall refrain from any further official involvement in regard to such contract or agreement, from voting on any matter pertaining to such contract or agreement, and from communicating with other members of the Authority or its officers, agents and employees concerning said contract or agreement. Notwithstanding any other provision of law, any contract or agreement entered into in conformity with this subsection (b) shall not be void or invalid by reason of the interest described in this subsection, nor shall any person so disclosing the interest and refraining from further official involvement as provided in this subsection be guilty of an offense, be removed from office or be subject

to any other penalty on account of such interest.

(c) Any contract or agreement made in violation of subsection (a) or (b) of this Section shall be null and void and give rise to no action against the Authority. No real estate to which a member or employee of the Authority holds legal title or in which such person has any beneficial interest, including any interest in a land trust, shall be purchased by the Authority or by a nonprofit corporation or limited-profit entity for a development to be financed under this Act. All members and employees of the Authority shall file annually with the Authority a record of all real estate in this State of which such person holds legal title or in which such person has any beneficial interest, including any interest in a land trust. In the event it is later disclosed that the Authority has purchased real estate in which a member or employee had an interest, such purchase shall be voidable by the Authority and the member or employee involved shall be disqualified from membership in or employment by the Authority.

(Source: P.A. 85-713.)

(70 ILCS 510/6)

Sec. 6. Records and Reports of the Authority. The secretary shall keep a record of the proceedings of the Authority. The treasurer of the Authority shall be custodian of all Authority funds, and shall be bonded in such amount as the other members of the Authority may designate. The accounts and bonds of the Authority shall be set up and maintained in a manner approved by the Auditor General, and the Authority shall file with the Auditor General a certified annual report within 120 days after the close of its fiscal year. The Authority shall also file with the Governor, the Secretary of the Senate, the Clerk of the House of Representatives, and the Illinois Commission on Intergovernmental Cooperation, by March 1 of each year, a written report covering its activities and any activities of any instrumentality corporation established pursuant to this Act for the previous fiscal year. In its report to be filed by March 1, 1988, the Authority shall present an economic development strategy for the Quad Cities region for the year beginning July 1, 1988 and for the 4 years next ensuing. In each annual report thereafter, the Authority shall make modifications in such economic development strategy for the 4 years beginning on the next

ensuing July 1, to reflect changes in economic conditions or other factors, including the policies of the Authority and the State of Illinois. It also shall present an economic development strategy for the fifth year beginning after the next ensuing July 1. The strategy shall recommend specific legislative and administrative action by the State, the Authority, units of local government or other governmental agencies. Such recommendations may include, but are not limited to, new programs, modifications to existing programs, credit enhancements for bonds issued by the Authority, and amendments to this Act. When filed, such report shall be a public record and open for inspection at the offices of the Authority during normal business hours.

(Source: P.A. 85-713.)

(70 ILCS 510/7)

Sec. 7. All official acts of the Authority shall require the approval of at least 4 members.

(Source: P.A. 85-713.)

(70 ILCS 510/8)

Sec. 8. (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:

(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 employ agents and employees necessary to carry out its purposes;

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

(5) to adopt all needful ordinances, resolutions, by-laws, 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 maintain an office or offices at such place as the Authority may designate;

(9) to employ, either as regular employees or as independent contractors, such consultants, engineers, architects, accountants, attorneys, financial experts, construction experts and personnel, superintendents, managers and other professional personnel, personnel, and actors as may be necessary in the judgment of the Authority, and fix their compensation;

(10) to acquire, hold, lease, use, encumber, transfer or dispose of real and personal property;

(11) to enter into contracts of any kind and execute all instruments necessary or convenient with respect to its carrying out the powers in this Act to accomplish the purposes of the Authority;

(12) to fix and revise from time to time and charge and collect rates, rents, fees or other charges for the use of facilities or for services rendered in connection with the facilities;

(13) to borrow money from any source for any corporate purpose, including working capital for its operations, reserve funds, or interest, and to mortgage, pledge or otherwise encumber the property or funds of the Authority and to contract with or engage the services of any person in connection with any financing, including financial institutions, issuers of letters of credit, or insurers;

(14) to issue bonds or notes under this Act;

(15) to receive and accept from any source, private or public, contributions, gifts or grants of money or property;

(16) to make loans from proceeds or funds otherwise available to the extent necessary or appropriate to accomplish the purposes of the Authority;

(17) to exercise all the corporate powers granted to Illinois corporations under the Business Corporation Act of 1983, except to the extent that any such powers are inconsistent with those of a body politic and corporate of the State;

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

(19) to do all things necessary or convenient to carry out the powers granted by this Act.

(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 notice, including a description of the proposed project and the financing therefor, is submitted to the corporate authorities of such municipality or, in the case of a proposed project in an unincorporated area, to the county board.

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

(Source: P.A. 85-713.)

(70 ILCS 510/9)

Sec. 9. Bonds and notes. (a)(1) The Authority may, with the written approval of the Governor, at any time and from time to time, issue bonds and notes for any corporate purpose, including the establishment of reserves and the payment of interest. In this Act the term "bonds" includes notes of any kind, interim certificates, refunding bonds or any other evidence of obligation.

(2) The bonds of any issue shall be payable solely from the property or receipts of the Authority, including, without limitation:

(I) fees, charges or other revenues payable to the Authority;

(II) payments by financial institutions, insurance companies, or others pursuant to letters or lines of credit, policies of insurance, or purchase agreements;

(III) investment earnings from funds or accounts maintained pursuant to a bond resolution or trust agreement; and

(IV) proceeds of refunding bonds.

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

(I) be issued at, above or below par value, for cash or other valuable consideration, and mature at time or times, whether as serial bonds or as term bonds or both, not exceeding 40 years from their respective date of issue; however, the length of the term of the bond

should bear a reasonable relationship to the value life of the item financed;

(II) bear interest at the fixed or variable rate or rates determined by the method provided in the resolution or trust agreement;

(III) be payable at a time or times, in the denominations and form, either coupon or registered or both, and carry the registration and privileges as to conversion and for the replacement of mutilated, lost or destroyed bonds as the resolution or trust agreement may provide;

(IV) be payable in lawful money of the United States at a designated place;

(V) be subject to the terms of purchase, payment, redemption, refunding or refinancing that the resolution or trust agreement provides;

(VI) be executed by the manual or facsimile signatures of the officers of the Authority designated by the Authority, which signatures shall be valid at delivery even for one who has ceased to hold office; and

(VII) be sold in the manner and upon the terms determined by the Authority.

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

(1) pledging, assigning or directing the use, investment or disposition of receipts of the Authority or proceeds or benefits of any contract and conveying or otherwise securing any property or property rights;

(2) the setting aside of loan funding deposits, debt service reserves, capitalized interest accounts, cost of issuance accounts and sinking funds, and the regulations, investment and disposition thereof;

(3) limitations on the purpose to which or the investments in which the proceeds of sale of any issue of bonds may be applied and restrictions to investment of revenues or bond proceeds in government obligations for which principal and interest are unconditionally guaranteed by the United States of America;

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

(5) the refunding or refinancing of outstanding bonds;

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

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

(8) providing for guarantees, pledges of property, letters of credit, or other security, or insurance for the benefit of bondholders; and

(9) any other matter relating to the bonds which the Authority determines appropriate.

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

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

(e)(1) A pledge by the Authority of revenues as security for an issue of bonds shall be valid and binding from the time when the pledge is made.

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

(3) No resolution, trust agreement or financing statement, continuation statement, or other instrument adopted or entered into by the Authority need be filed or recorded in any public record other than the records of the authority in order to perfect the lien against third persons, regardless of any contrary provision of law.

(f) The Authority may issue bonds to refund any of its bonds then outstanding, including the payment of any redemption premium and any interest accrued or to accrue to the earliest or any subsequent date of

redemption, purchase or maturity of the bonds. Refunding bonds may be issued for the public purposes of realizing savings in the effective costs of debt service, directly or through a debt restructuring, for alleviating impending or actual default and may be issued in one or more series in an amount in excess of that of the bonds to be refunded.

(g) Bonds or notes of the Authority may be sold by the Authority through the process of competitive bid or negotiated sale.

(h) At no time shall the total outstanding bonds and notes of the Authority exceed \$100 million.

(i) The bonds and notes of the Authority shall not be debts of the State.

(j) In no event may proceeds of bonds or notes issued by the Authority be used to finance any structure which is not constructed pursuant to an agreement between the Authority and a party, which provides for the delivery by the party of a completed structure constructed pursuant to a fixed price contract, and which provides for the delivery of such structure at such fixed price to be insured or guaranteed by a third party determined by the Authority to be capable of completing construction of such a structure.

(Source: P.A. 85-713.)

(70 ILCS 510/9.1)

Sec. 9.1. Moneys for payment of principal of and interest on bonds. In the event that the Authority determines that moneys of the Authority will not be sufficient for the payment of the principal of and interest on its bonds during the next State fiscal year, the Chairman, as soon as practicable, shall certify to the Governor the amount required by the Authority to enable it to pay such principal of and interest on the bonds. The Governor shall submit the amount so certified to the General Assembly as soon as practicable, but no later than the end of the current State fiscal year. This Section shall not apply to any bonds or notes as to which the Authority shall have determined, in the resolution authorizing the issuance of the bonds or notes, that this Section shall not apply. Whenever the Authority makes such a determination, that fact shall be plainly stated on the face of the bonds or notes and that fact shall also be reported to the Governor.

In the event of a withdrawal of moneys from a reserve fund

established with respect to any issue or issues of bonds of the Authority to pay principal or interest on those bonds, the Chairman of the Authority, as soon as practicable, shall certify to the Governor the amount required to restore the reserve fund to the level required in the resolution or indenture securing those bonds. The Governor shall submit the amount so certified to the General Assembly as soon as practicable, but no later than the end of the current State fiscal year.

(Source: P.A. 86-837; 86-1470; 87-778.)

(70 ILCS 510/10)

Sec. 10. Legality for Investment. Any financial institution, investment company, insurance company or association, and any personal representative, guardian, trustee or other fiduciary, may legally invest any monies belonging to them or within their control in any bonds issued by the Authority.

(Source: P.A. 85-713.)

(70 ILCS 510/11)

Sec. 11. Tax exemption. The Authority shall not be required to pay any taxes or assessments of any kind whatsoever and its bonds, their transfer, the interest payable on them, and any income derived from them may be exempt by the election of the Authority at the time of issuance and at all times from every kind and nature of taxation by this State or by any of its political subdivisions, municipal corporations, or public agencies of any kind, except for estate, transfer, and inheritance taxes as provided in Section 13. For purposes of Section 250 of the Illinois Income Tax Act, the exemption of the income from bonds issued by 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, pursuant 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.

(Source: P.A. 89-460, eff. 5-24-96.)

(70 ILCS 510/13)

Sec. 13. Bond 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 therefrom may be free from all taxation by the State or its political subdivisions except for 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 income from bonds issued by 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, pursuant 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.

(Source: P.A. 89-460, eff. 5-24-96.)

(70 ILCS 510/14)

Sec. 14. Additional powers and duties. (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 the power to enter into intergovernmental agreements with the State of Illinois, the counties of Rock Island, Henry or Mercer, the State of Iowa or any authority established by the State of Iowa, the Illinois Development Finance Authority, the Illinois Housing Development Authority, the Illinois Education Facilities Authority, 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.

(c) 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.

(d) 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.

(Source: P.A. 85-713.)

(70 ILCS 510/15)

Sec. 15. The Authority may by ordinance designate a portion of the territorial jurisdiction of the Authority for certification as an Enterprise Zone under the Illinois Enterprise Zone Act in addition to any other enterprise zones which may be created under the Act, which area shall have all the privileges and rights of an Enterprise Zone pursuant to the Illinois Enterprise Zone Act, but which shall not be counted in determining the number of Enterprise Zones to be created in any year pursuant to that Act.

(Source: P.A. 85-713.)

(70 ILCS 510/16)

Sec. 16. The Authority may collect fees and charges in connection with its loans, commitments and servicing and provide technical assistance in the development of the region.

(Source: P.A. 85-713.)

(70 ILCS 510/18)

Sec. 18. Taxation. The Authority shall have taxing powers as determined by statute.

(Source: P.A. 85-713.)

(70 ILCS 510/18.1)

Sec. 18.1. (a) If the Authority issues bonds for the purpose of financing, by loan, grant, or otherwise, the construction of a NASCAR race track, then it may impose the tax authorized by this Section.

(b) The Authority may impose an admission tax of \$2 per person entering the grounds of the NASCAR race track upon a ticket of admission. The amounts shall be collected by the race track operator and paid over to the Authority. If tickets are issued for more than one

day, then the sum of \$2 shall be paid for each person using such ticket on each day that the same shall be used. Provided, however, that no charge shall be made on tickets of admission issued to and in the name of directors, officers, agents or employees of the race track operator, or to owners, drivers and their employees or to any person or persons entering the grounds or enclosure for the transaction of business in connection with such racing. The operator may, if it desires, collect such amount from each ticket holder in addition to the amount or amounts charged for such ticket of admission.

(c) Accurate records and books shall at all times be kept and maintained by the operator showing the admission tickets issued and used on each racing day and the attendance thereat. The Authority or its duly authorized representative shall at all reasonable times have access to the admission records of the operator for the purpose of examining and checking the same and ascertaining whether or not the proper amount has been or is being paid to the Authority as herein provided. The Authority shall also require that the operator shall execute and deliver to it a bond, payable to the Authority, in such sum as it shall determine, not, however, in excess of \$50,000, with a surety to be approved by it, conditioned for the payment of all sums due and payable or collected by it under this Section upon admission fees received. The Authority may also from time to time require sworn statements of the number of such admissions and may prescribe blanks upon which such reports shall be made. Any operator failing or refusing to pay the amount found to be due, as herein provided, shall be deemed guilty of a business offense and upon conviction shall be punished by a fine of not more than \$5,000 in addition to the amount due from such operator as herein provided. All fines paid into court by an operator found guilty of violating this Section shall be transmitted and paid over by the clerk of the court to said Authority.

(d) For the purpose of this Section, admission ticket means a ticket purchased for entrance into a race track and does not apply to passes for which no fee is charged.

(e) Amounts received by the Authority from the admission tax shall be used to retire the bonds issued to finance the race track.

(Source: P.A. 86-1470.)

(70 ILCS 510/18.2)

Sec. 18.2. (Repealed).

(Source: P.A. 87-882. Repealed by P.A. 90-415, eff. 8-15-97.)

(70 ILCS 510/19)

Sec. 19. Civic Center. The Authority shall commence a study to determine the feasibility of a civic center or other public assembly hall or arena to be located within the territorial jurisdiction of the Authority. This report shall address, at a minimum, marketing analysis, site availability, competition, funding sources available from the Department of Commerce and Community Affairs, and other matters deemed appropriate by the board.

(Source: P.A. 85-713.)

Illinois Compiled Statutes
Special Districts
Quad Cities Regional Economic Development Authority Act, certified
December 30, 1987
70 ILCS 515/

[\[HOME \]](#) [\[CHAPTERS \]](#) [\[PUBLIC ACTS \]](#) [\[SEARCH \]](#) [\[BOTTOM \]](#)

(70 ILCS 515/)

(70 ILCS 515/1)

Sec. 1. This Act shall be known and may be cited as the "Quad Cities Regional Economic Development Authority Act".

(Source: P.A. 85-988.)

(70 ILCS 515/2)

Sec. 2. The General Assembly hereby determines and declares:

(a) That due to changes in national and international manufacturing and product markets, unstable international currency markets, and increased competition from certain foreign competitors, several industries employing large numbers of Illinoisans in the northwestern part of the State have been adversely impacted;

(b) That labor surplus areas currently exist in the northwestern part of the State;

(c) That the State has an interest in helping to 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 the northwestern part of the State;

(d) That in order to foster civic and neighborhood pride, citizens require gainful and steady employment, decent and affordable housing, access to educational institutions, recreation, parks and open spaces, entertainment and sports, a reliable transportation network, cultural facilities and theaters;

(e) That the main purpose of this Act is to promote industrial, commercial, residential, service, transportation and recreational activities and facilities, thereby enhancing the employment opportunities, public health and general welfare of this State.

(Source: P.A. 85-988.)

(70 ILCS 515/3)

Sec. 3. The following terms, whenever used or referred to in this Act, shall have the following meanings, except in such instances where the context may clearly indicate otherwise:

(a) "Authority" means the Quad Cities Regional Economic Development Authority created by this Act.

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

(c) "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.

(d) "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.

(e) "Board" means the Quad Cities Regional Economic Development Authority Board of Directors.

(f) "Governor" means the Governor of the State of Illinois.

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

(h) "Industrial project" means (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, office building, industrial distribution center, warehouse, repair, overhaul or service facility, freight terminal, research facility, test facility, railroad 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 therefor 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.

(i) "Housing project" or "residential project" includes a specific work or improvement undertaken to provide dwelling accommodations, including the acquisition, construction or rehabilitation of lands, buildings and community facilities and in connection therewith to provide nonhousing facilities which are an integral part of a planned large-scale project or new community.

(j) "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, any cultural facilities of a for-profit or not-for-profit type including but not limited to educational, theatrical, recreational and entertainment, sports facilities, racetracks, stadiums, convention centers, exhibition halls, arenas, opera houses and theaters, waterfront improvements, swimming pools, boat storage, moorage, docking facilities, restaurants, velodromes, coliseums, sports training facilities, parking facilities, terminals, hotels and motels, gymnasiums, medical facilities and port facilities.

(k) "Project" means an industrial, housing, residential, commercial or service project or any combination thereof provided that all uses shall fall within one of the categories described above. Any project, of any nature whatsoever, shall automatically include 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.

(l) "Lease agreement" shall mean an agreement whereby a project acquired by the Authority by purchase, gift or lease is leased to any person or corporation which will use or cause the project to be used as a project as heretofore defined 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 such 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 such other terms as may be deemed desirable by the Authority.

(m) "Loan agreement" means any agreement pursuant to 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 as heretofore defined 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 matters as may be deemed advisable by the Authority.

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

(o) "Costs incurred in connection with the development, construction, acquisition or improvement of a project" means the following: 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 such construction; financing charges; 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;

engineering and legal expenses; 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.

(p) "Terminal" means a public place, station or depot for receiving and delivering passengers, baggage, mail, freight or express matter and any combination thereof in connection with the transportation of persons and property on water or land or in the air.

(q) "Terminal facilities" means all land, buildings, structures, improvements, equipment and appliances useful in the operation of public warehouse, storage and transportation facilities and industrial, manufacturing or commercial activities for the accommodation of or in connection with commerce by water or land or in the air or useful as an aid, or constituting an advantage or convenience to, the safe landing, taking off and navigation of aircraft or the safe and efficient operation or maintenance of a public airport.

(r) "Port facilities" means all public structures, except terminal facilities as defined herein, that are in, over, under or adjacent to navigable waters and are necessary for or incident to the furtherance of water commerce and includes the widening and deepening of slips, harbors and navigable waters.

(s) "Airport" means any locality, either land or water, which is used or designed for the landing and taking off of aircraft or for the location of runways, landing fields, aerodromes, hangars, buildings, structures, airport roadways and other facilities.

(Source: P.A. 85-988.)

(70 ILCS 515/4)

Sec. 4. (a) There is hereby created a political subdivision, body politic and municipal corporation named the Quad Cities Regional Economic Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of Rock Island, Henry and Mercer counties in the State of Illinois 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 7 members including, as an ex officio member, the Director of the Department of Commerce and Community Affairs, or his or her designee. The other 8 members of the Authority shall be designated "public members", 3 of whom shall be appointed by the Governor with the advice and consent of the Senate. Of the 3 members appointed by the Governor, one shall be from a city within the Authority's territory with a population of 25,000 or more and the remainder shall be appointed at large. One member shall be appointed by each of the county board chairmen of Rock Island, Henry and Mercer counties with the advice and consent of the respective county board. All public members shall reside within the territorial jurisdiction of this Act. Four members shall constitute a quorum. 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, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The Chairman of the Authority shall be a public member elected by the affirmative vote of not fewer than 4 members of the Authority. The term of the Chairman shall be one year.

(c) The terms of all members of the Authority shall begin 30 days after the effective date of this Act. Of the 6 public members appointed pursuant to this Act, 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1989, 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1990, and 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1991. The initial terms of the members appointed by the county board chairmen shall be determined by lot. All successors shall be appointed by the original appointing authority and hold office for a term of 3 years commencing the third Monday in January of the year in which their term commences, except in 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 such office, and any person so nominated who is confirmed by the

Senate shall hold office during the remainder of the term and until a successor shall be appointed and qualified. Members of the Authority shall not be entitled to compensation for their services as members but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

(d) The Governor may remove any public member of the Authority appointed by the Governor in case of incompetency, neglect of duty, or malfeasance in office. The Chairman of a county board may remove any public member of the Authority appointed by such Chairman in the case of incompetency, neglect of duty, or malfeasance in office.

(e) 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, shall perform such other duties as may be prescribed from time to time by the members and shall receive compensation fixed by the Authority. The Authority may engage the services of such other agents and employees, including attorneys, appraisers, engineers, accountants, credit analysts and other consultants, as it may deem advisable and may prescribe their duties and fix their compensation.

(f) The Board shall create a task force to study and make recommendations to the Board on the economic development of the territory within the jurisdiction of this Act. The number of members constituting the task force shall be set by the Board and may vary from time to time. The Board may set a specific date by which the task force is to submit its final report and recommendations to the Board.

(Source: P.A. 85-988.)

(70 ILCS 515/5)

Sec. 5. Conflicts of Interest. Members or employees of authority - conflicting relations or interests - effects. (a) No member of the Authority or officer, agent or employee thereof other than the representatives of a professional sports team shall, in his or her own name or in the name of a nominee, be an officer, director or hold an

ownership interest of more than 7-1/2% in any person, association, trust, corporation, partnership or other entity which is, in its own name or in the name of a nominee, a party to a contract or agreement upon which the member or officer, agent or employee may be called upon to act or vote.

(b) With respect to any direct or any indirect interest, other than an interest prohibited in subsection (a), in a contract or agreement upon which the member or officer, agent or employee may be called upon to act or vote, a member of the Authority or officer, agent or employee thereof shall disclose the same to the secretary of the Authority prior to the taking of final action by the Authority concerning such contract or agreement and shall so disclose the nature and extent of such interest and his or her acquisition thereof, which disclosures shall be publicly acknowledged by the Authority and entered upon the minutes of the Authority. If a member of the Authority or officer, agent or employee thereof holds such an interest then he or she shall refrain from any further official involvement in regard to such contract or agreement, from voting on any matter pertaining to such contract or agreement, and from communicating with other members of the Authority or its officers, agents and employees concerning said contract or agreement. Notwithstanding any other provision of law, any contract or agreement entered into in conformity with this subsection (b) shall not be void or invalid by reason of the interest described in this subsection, nor shall any person so disclosing the interest and refraining from further official involvement as provided in this subsection be guilty of an offense, be removed from office or be subject to any other penalty on account of such interest.

(c) Any contract or agreement made in violation of subsection (a) or (b) of this Section shall be null and void and give rise to no action against the Authority. No real estate to which a member or employee of the Authority holds legal title or in which such person has any beneficial interest, including any interest in a land trust, shall be purchased by the Authority or by a nonprofit corporation or limited-profit entity for a development to be financed under this Act. All members and employees of the Authority shall file annually with the Authority a record of all real estate in this State of which such person holds legal title or in which such person has any beneficial interest,

including any interest in a land trust. In the event it is later disclosed that the Authority has purchased real estate in which a member or employee had an interest, such purchase shall be voidable by the Authority and the member or employee involved shall be disqualified from membership in or employment by the Authority.

(Source: P.A. 85-988.)

(70 ILCS 515/6)

Sec. 6. Records and Reports of the Authority. The secretary shall keep a record of the proceedings of the Authority. The treasurer of the Authority shall be custodian of all Authority funds, and shall be bonded in such amount as the other members of the Authority may designate. The accounts and bonds of the Authority shall be set up and maintained in a manner approved by the Auditor General, and the Authority shall file with the Auditor General a certified annual report within 120 days after the close of its fiscal year. The Authority shall also file with the Governor, the Secretary of the Senate, the Clerk of the House of Representatives, and the Illinois Commission on Intergovernmental Cooperation, by March 1 of each year, a written report covering its activities and any activities of any instrumentality corporation established pursuant to this Act for the previous fiscal year. In its report to be filed by March 1, 1988, the Authority shall present an economic development strategy for the Quad Cities region for the year beginning July 1, 1988 and for the 4 years next ensuing. In each annual report thereafter, the Authority shall make modifications in such economic development strategy for the 4 years beginning on the next ensuing July 1, to reflect changes in economic conditions or other factors, including the policies of the Authority and the State of Illinois. It also shall present an economic development strategy for the fifth year beginning after the next ensuing July 1. The strategy shall recommend specific legislative and administrative action by the State, the Authority, units of local government or other governmental agencies. Such recommendations may include, but are not limited to, new programs, modifications to existing programs, credit enhancements for bonds issued by the Authority, and amendments to this Act. When filed, such report shall be a public record and open for inspection at the offices of the Authority during normal business hours.

(Source: P.A. 85-988.)

(70 ILCS 515/7)

Sec. 7. All official acts of the Authority shall require the approval of at least 4 members.

(Source: P.A. 85-988.)

(70 ILCS 515/8)

Sec. 8. (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:

(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 employ agents and employees necessary to carry out its purposes;

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

(5) to adopt all needful ordinances, resolutions, by-laws, 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 maintain an office or offices at such place as the Authority may designate;

(9) to employ, either as regular employees or as independent contractors, such consultants, engineers, architects, accountants, attorneys, financial experts, construction experts and personnel, superintendents, managers and other professional personnel, personnel, and actors as may be necessary in the judgment of the Authority, and fix their compensation;

(10) to acquire, hold, lease, use, encumber, transfer or dispose of real and personal property;

(11) to enter into contracts of any kind and execute all

instruments necessary or convenient with respect to its carrying out the powers in this Act to accomplish the purposes of the Authority;

(12) to fix and revise from time to time and charge and collect rates, rents, fees or other charges for the use of facilities or for services rendered in connection with the facilities;

(13) to borrow money from any source for any corporate purpose, including working capital for its operations, reserve funds, or interest, and to mortgage, pledge or otherwise encumber the property or funds of the Authority and to contract with or engage the services of any person in connection with any financing, including financial institutions, issuers of letters of credit, or insurers;

(14) to issue bonds or notes under this Act;

(15) to receive and accept from any source, private or public, contributions, gifts or grants of money or property;

(16) to make loans from proceeds or funds otherwise available to the extent necessary or appropriate to accomplish the purposes of the Authority;

(17) to exercise all the corporate powers granted to Illinois corporations under the Business Corporation Act of 1983, except to the extent that any such powers are inconsistent with those of a body politic and corporate of the State;

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

(19) to do all things necessary or convenient to carry out the powers granted by this Act.

(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 notice, including a description of the proposed project and the financing therefor, is submitted to the corporate authorities of such municipality or, in the case of a proposed project in an unincorporated area, to the county board.

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

(Source: P.A. 85-988.)

(70 ILCS 515/9)

Sec. 9. Bonds and notes. (a)(1) The Authority may, with the written approval of the Governor, at any time and from time to time, issue bonds and notes for any corporate purpose, including the establishment of reserves and the payment of interest. In this Act the term "bonds" includes notes of any kind, interim certificates, refunding bonds or any other evidence of obligation.

(2) The bonds of any issue shall be payable solely from the property or receipts of the Authority, including, without limitation:

(I) fees, charges or other revenues payable to the Authority;

(II) payments by financial institutions, insurance companies, or others pursuant to letters or lines of credit, policies of insurance, or purchase agreements;

(III) investment earnings from funds or accounts maintained pursuant to a bond resolution or trust agreement; and

(IV) proceeds of refunding bonds.

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

(I) be issued at, above or below par value, for cash or other valuable consideration, and mature at time or times, whether as serial bonds or as term bonds or both, not exceeding 40 years from their respective date of issue; however, the length of the term of the bond should bear a reasonable relationship to the value life of the item financed;

(II) bear interest at the fixed or variable rate or rates determined by the method provided in the resolution or trust agreement;

(III) be payable at a time or times, in the denominations and form, either coupon or registered or both, and carry the registration and privileges as to conversion and for the replacement of mutilated, lost or destroyed bonds as the resolution or trust agreement may provide;

(IV) be payable in lawful money of the United States at a designated place;

(V) be subject to the terms of purchase, payment, redemption,

refunding or refinancing that the resolution or trust agreement provides;

(VI) be executed by the manual or facsimile signatures of the officers of the Authority designated by the Authority, which signatures shall be valid at delivery even for one who has ceased to hold office; and

(VII) be sold in the manner and upon the terms determined by the Authority.

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

(1) pledging, assigning or directing the use, investment or disposition of receipts of the Authority or proceeds or benefits of any contract and conveying or otherwise securing any property or property rights;

(2) the setting aside of loan funding deposits, debt service reserves, capitalized interest accounts, cost of issuance accounts and sinking funds, and the regulations, investment and disposition thereof;

(3) limitations on the purpose to which or the investments in which the proceeds of sale of any issue of bonds may be applied and restrictions to investment of revenues or bond proceeds in government obligations for which principal and interest are unconditionally guaranteed by the United States of America;

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

(5) the refunding or refinancing of outstanding bonds;

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

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

(8) providing for guarantees, pledges of property, letters of

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

(9) any other matter relating to the bonds which the Authority determines appropriate.

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

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

(e)(1) A pledge by the Authority of revenues as security for an issue of bonds shall be valid and binding from the time when the pledge is made.

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

(3) No resolution, trust agreement or financing statement, continuation statement, or other instrument adopted or entered into by the Authority need be filed or recorded in any public record other than the records of the authority in order to perfect the lien against third persons, regardless of any contrary provision of law.

(f) The Authority may issue bonds to refund any of its bonds then outstanding, including the payment of any redemption premium and any interest accrued or to accrue to the earliest or any subsequent date of redemption, purchase or maturity of the bonds. Refunding bonds may be issued for the public purposes of realizing savings in the effective costs of debt service, directly or through a debt restructuring, for alleviating impending or actual default and may be issued in one or more series in an amount in excess of that of the bonds to be refunded.

(g) Bonds or notes of the Authority may be sold by the Authority through the process of competitive bid or negotiated sale.

(h) At no time shall the total outstanding bonds and notes of the Authority exceed \$100 million.

(i) The bonds and notes of the Authority shall not be debts of the State.

(j) In no event may proceeds of bonds or notes issued by the Authority be used to finance any structure which is not constructed pursuant to an agreement between the Authority and a party, which provides for the delivery by the party of a completed structure constructed pursuant to a fixed price contract, and which provides for the delivery of such structure at such fixed price to be insured or guaranteed by a third party determined by the Authority to be capable of completing construction of such a structure.

(Source: P.A. 85-988.)

(70 ILCS 515/9.1)

Sec. 9.1. Moneys for payment of principal of and interest on bonds. In the event that the Authority determines that moneys of the Authority will not be sufficient for the payment of the principal of and interest on its bonds during the next succeeding State fiscal year, the Chairman shall certify to the Governor, before October of the then current State fiscal year, the amount required by the Authority to enable it to pay such principal of and interest on the bonds. The Governor shall include the amount so certified in the State budget. This Section shall not apply to any bonds or notes as to which the Authority shall have determined, in the resolution authorizing the issuance of bonds or notes, that this Section shall not apply. Whenever the Authority makes such a determination, that fact shall be plainly stated on the face of the bonds or notes and that fact shall also be reported to the Governor.

(Source: P.A. 86-1470.)

(70 ILCS 515/10)

Sec. 10. Legality for Investment. Any financial institution, investment company, insurance company or association, and any personal representative, guardian, trustee or other fiduciary, may legally invest any monies belonging to them or within their control in any bonds issued by the Authority.

(Source: P.A. 85-988.)

(70 ILCS 515/11)

(Text as amended by P.A. 86-1444 and P.A. 89-460)

Sec. 11. Tax exemption. The Authority shall not be required to pay

any taxes or assessments of any kind whatsoever and its bonds, their transfer, the interest payable on them, and any income derived from them shall be exempt at the time of issuance and at all times from every kind and nature of taxation by this State or by any of its political subdivisions, municipal corporations, or public agencies of any kind, except for estate, transfer and inheritance taxes as provided in Section 12. For purposes of Section 250 of the Illinois Income Tax Act, the exemption of the income from bonds issued by 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, pursuant 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.

(Source: P.A. 86-1444; 89-460, eff. 5-24-96)

(Text as amended by P.A. 86-1470 and P.A. 89-460)

Sec. 11. Tax exemption. The Authority shall not be required to pay any taxes or assessments of any kind whatsoever and its bonds, their transfer, the interest payable on them, and any income derived from them may be exempt by the election of the Authority at the time of issuance and at all times from every kind and nature of taxation by this State or by any of its political subdivisions, municipal corporations, or public agencies of any kind, except for estate, transfer, and inheritance taxes as provided in Section 12. For purposes of Section 250 of the Illinois Income Tax Act, the exemption of the income from bonds issued by 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, pursuant 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.

(Source: P.A. 86-1470; 89-460, eff. 5-24-96.)

(70 ILCS 515/12)

(Text as amended by P.A. 86-1444 and P.A. 89-460)

Sec. 12. Bond 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 therefrom shall be free from all taxation by the State or its political subdivisions except for estate, transfer and inheritance taxes. For purposes of Section 250 of the Illinois Income Tax Act, the exemption of the income from bonds issued by 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, pursuant 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.

(Source: P.A. 86-1444; 89-460, eff. 5-24-96)

(Text as amended by P.A. 86-1470 and P.A. 89-460)

Sec. 12. Bond 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 therefrom may be free from all taxation by the State or its political subdivisions except for 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 income from bonds issued by 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, pursuant 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.

(Source: P.A. 86-1470; 89-460, eff. 5-24-96.)

(70 ILCS 515/13)

Sec. 13. Additional powers and duties. (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 the power to enter into intergovernmental agreements with the State of Illinois, the counties of Rock Island, Henry or Mercer, the State of Iowa or any authority established by the State of Iowa, the Illinois Development Finance Authority, the Illinois Housing Development Authority, the Illinois Education Facilities Authority, 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.

(c) 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.

(d) 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.

(Source: P.A. 85-988.)

(70 ILCS 515/14)

Sec. 14. The Authority may by ordinance designate a portion of the territorial jurisdiction of the Authority for certification as an Enterprise Zone under the Illinois Enterprise Zone Act in addition to any other enterprise zones which may be created under the Act, which area shall have all the privileges and rights of an Enterprise Zone pursuant to the Illinois Enterprise Zone Act, but which shall not be counted in determining the number of Enterprise Zones to be created in any year pursuant to that Act.

(Source: P.A. 85-988.)

(70 ILCS 515/15)

Sec. 15. The Authority may collect fees and charges in connection with its loans, commitments and servicing and provide technical assistance in the development of the region.

(Source: P.A. 85-988.)

(70 ILCS 515/17)

Sec. 17. Taxation. The Authority shall have taxing powers as determined by statute.

(Source: P.A. 85-988.)

(70 ILCS 515/18)

Sec. 18. (a) If the Authority issues bonds for the purpose of financing, by loan, grant, or otherwise, the construction of a NASCAR race track, then it may impose the tax authorized by this Section.

(b) The Authority may impose an admission tax of \$2 per person entering the grounds of the NASCAR race track upon a ticket of admission. The amounts shall be collected by the race track operator and paid over to the Authority. If tickets are issued for more than one day, then the sum of \$2 shall be paid for each person using such ticket on each day that the same shall be used. Provided, however, that no charge shall be made on tickets of admission issued to and in the name of directors, officers, agents or employees of the race track operator, or to owners, drivers and their employees or to any person or persons entering the grounds or enclosure for the transaction of business in connection with such racing. The operator may, if it desires, collect such amount from each ticket holder in addition to the amount or amounts charged for such ticket of admission.

(c) Accurate records and books shall at all times be kept and maintained by the operator showing the admission tickets issued and used on each racing day and the attendance thereat. The Authority or its duly authorized representative shall at all reasonable times have access to the admission records of the operator for the purpose of examining and checking the same and ascertaining whether or not the proper amount has been or is being paid to the Authority as herein provided. The Authority shall also require that the operator shall execute and deliver to it a bond, payable to the Authority, in such sum as it shall determine, not, however, in excess of \$50,000, with a surety to be

approved by it, conditioned for the payment of all sums due and payable or collected by it under this Section upon admission fees received. The Authority may also from time to time require sworn statements of the number of such admissions and may prescribe blanks upon which such reports shall be made. Any operator failing or refusing to pay the amount found to be due, as herein provided, shall be deemed guilty of a business offense and upon conviction shall be punished by a fine of not more than \$5,000 in addition to the amount due from such operator as herein provided. All fines paid into court by an operator found guilty of violating this Section shall be transmitted and paid over by the clerk of the court to said Authority.

(d) For the purpose of this Section, admission ticket means a ticket purchased for entrance into a race track and does not apply to passes for which no fee is charged.

(e) Amounts received by the Authority from the admission tax shall be used to retire the bonds issued to finance the race track.

(Source: P.A. 85-1444.)