

AN ACT concerning local government.

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

Section 5. The Upper Illinois River Valley Development Authority Act is amended by changing Sections 4 and 7 as follows:

(70 ILCS 530/4) (from Ch. 85, par. 7154)

Sec. 4. Establishment.

(a) There is hereby created a political subdivision, body politic and municipal corporation named the Upper Illinois River Valley Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of Grundy, LaSalle, Bureau, Putnam, Kendall, Kane, Lake, McHenry, and Marshall 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 21 ~~20~~ members including, as ex officio members, the Director of Commerce and Economic Opportunity, or his or her designee, and the Director of the Department of Central Management Services, or his or her designee. The other 19 ~~18~~ members of the Authority shall be designated "public members", 10 of whom shall be appointed by

the Governor with the advice and consent of the Senate and 9 & of whom shall be appointed one each by the county board chairmen of Grundy, LaSalle, Bureau, Putnam, Kendall, Kane, Lake, McHenry, and Marshall counties. All public members shall reside within the territorial jurisdiction of this Act. Eleven 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 elected by the Board annually from the 9 & members appointed by the county board chairmen.

(c) The terms of all initial members of the Authority shall begin 30 days after the effective date of this Act. Of the 14 public members appointed pursuant to this Act, 4 appointed by the Governor shall serve until the third Monday in January, 1992, 4 appointed by the Governor shall serve until the third Monday in January, 1993, one appointed by the Governor shall serve until the third Monday in January, 1994, one appointed by the Governor shall serve until the third Monday in January 1999, the member appointed by the county board chairman of LaSalle County shall serve until the third Monday in January, 1992, the members appointed by the county board chairmen of Grundy County, Bureau County, Putnam County, and Marshall

County shall serve until the third Monday in January, 1994, and the member appointed by the county board chairman of Kendall County shall serve until the third Monday in January, 1999. The initial members appointed by the chairmen of the county boards of Kane and McHenry counties shall serve until the third Monday in January, 2003. The initial members appointed by the chairman of the county board of Lake County shall serve until the third Monday in January, 2018. 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 in 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 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 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 may, by majority vote, nominate up to 4 non-voting members for appointment by the Governor. Non-voting 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. Non-voting members shall serve at

the pleasure of the Board. All non-voting members may attend meetings of the Board and shall be reimbursed as provided in subsection (c).

(g) 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 members of the task force shall reside within the territorial jurisdiction of this Act, shall serve at the pleasure of the Board and 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 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. 94-793, eff. 5-19-06.)

(70 ILCS 530/7) (from Ch. 85, par. 7157)

Sec. 7. 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 outstanding not to exceed \$500,000,000 for the purpose of developing, constructing, acquiring or improving projects,

including those established by business entities locating or expanding property within the territorial jurisdiction of the Authority, for entering into venture capital agreements with businesses locating or expanding within the territorial jurisdiction of the Authority, for acquiring and improving any property necessary and useful in connection therewith and 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 "An Act to authorize public corporations to issue bonds, other evidences of

indebtedness and tax anticipation warrants subject to interest rate limitations set forth therein", approved May 26, 1970, as amended, 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-1) 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 such 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 any such bonds, notes or other evidences of indebtedness by the provision of the resolution authorizing their issuance and to enjoin such corporation, person, the Authority and any of its agents or employees from taking any action in conflict with any such contract or covenant.

(b-2) If the Authority fails to pay the principal of or interest on any of the bonds or premium, if any, as the same become 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 such default of payment exists or by an indenture trustee acting on behalf of such 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 of the subject matter of such a 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.

(c) Notwithstanding the form and tenor of any such bonds, notes or other evidences of indebtedness and in the absence of any express recital on the face thereof 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 such bonds, notes or other evidences of indebtedness, temporary bonds, notes or evidences of indebtedness may be issued as provided by ordinance.

(d) 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 thereof 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 such mortgage or trust agreement by the Authority may be by mandamus proceedings in the appropriate circuit court to compel the performance and compliance therewith, but the trust agreement may prescribe by whom or on whose behalf such action may be instituted.

(e) Such bonds or notes shall be secured as provided in the authorizing ordinance which may, notwithstanding any other provision of this Act, include in addition to any other security a specific pledge or 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 such bonds or notes.

(f) (Blank). ~~In the event that the Authority determines that monies 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. This subsection (f) shall not apply to any bond issued on or after the effective date of this amendatory Act of the 97th General Assembly.~~

(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 such holders or in any way impair the rights and remedies of such holders until such 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 such 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) (Blank).

(Source: P.A. 97-312, eff. 8-11-11; 98-750, eff. 1-1-15.)

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