



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB2160

Introduced 2/20/2009, by Sen. James F. Clayborne, Jr.

SYNOPSIS AS INTRODUCED:

New Act
30 ILCS 105/5.719 new

Creates the Community Investment Corporation Development Act. Creates the Community Investment Corporation Development Commission within the Department of Commerce and Economic Opportunity. Sets forth procedures for appointments to the Commission and sets forth procedures for its operation. Requires the Department of Commerce and Economic Opportunity to develop and maintain a program to make grants to communities seeking to establish community investment corporations. Requires the Commission to seek out funding sources to enhance the development of community investment corporations. Amends the State Finance Act to create the Community Investment Corporation Fund.

LRB096 11430 JAM 21903 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning community investment.

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

4 Section 1. Short title. This Act may be cited as the
5 Community Investment Corporation Development Act.

6 Section 5. Definitions. As used in this Act:

7 "Community investment corporation" means a for-profit,
8 citizen-owned, professionally managed real estate planning and
9 development corporation or land cooperative that is located in
10 the communities known as the American Bottoms, comprised of
11 Alorton, Brooklyn, Cahokia, Centreville, East St. Louis,
12 Fairmont City, Granite City, Hartford, Madison, Venice, and
13 Washington Park, and that may:

14 (i) receive title to land, natural resources, physical
15 infrastructure or facility donated by a not-for-profit
16 organization or government entity;

17 (ii) borrow money on behalf of its shareholders to
18 purchase land, plan its use, and develop the land and
19 natural resources for productive and ecologically suitable
20 purposes; and

21 (iii) enable each citizen whose principal residence is
22 situated in a local or regional area in which its future
23 development will be controlled by a community investment

1 corporation to acquire free as a right of citizenship an
2 equal, lifetime, non-transferable, private property
3 ownership stake in local land use and infrastructural
4 development, share profits from land rentals, natural
5 resource use or extraction revenues, and infrastructure
6 user fees, and have a voice as an owner in the governance
7 of future land development in the community.

8 "Commission" means the Community Investment Corporation
9 Development Commission established in Section 10.

10 "Department" means the Department of Commerce and Economic
11 Opportunity.

12 Section 10. Community Investment Corporation Development
13 Commission.

14 (a) Subject to appropriation, the Community Investment
15 Corporation Development Commission is created within the
16 Department.

17 (b) The Commission shall consist of 11 members appointed by
18 the Governor, with the advice and consent of the Senate, one of
19 whom shall be designated as chair of the Commission at the time
20 of appointment.

21 (c) Of the members initially appointed, 3 members shall
22 serve a term of one year, 3 members shall serve a term of 2
23 years, 3 members shall serve a term of 3 years, and 2 members,
24 one of whom must be the chair, shall serve a term of 4 years.
25 Thereafter, all terms shall be for 4 years.

1 Section 15. Operation of Commission.

2 (a) The Commission may begin to conduct business upon the
3 appointment of a majority of the voting members, including the
4 chair.

5 (b) The Commission may adopt bylaws, and it may establish
6 committees and officers as it deems necessary.

7 (c) For purposes of Commission meetings, a quorum is 6
8 members. Meetings of the Commission are subject to the Open
9 Meetings Act. The Commission must afford an opportunity for
10 public comment at each meeting.

11 (d) Commission members shall serve without compensation,
12 but may be reimbursed for their reasonable travel expenses from
13 funds available for that purpose. The Department, subject to
14 appropriation for this purpose, shall provide staff and
15 administrative support services to the Commission.

16 Section 20. Recommendations concerning community
17 investment corporations. The Commission shall gather
18 information and make annual reports of recommendations to the
19 Governor and to the General Assembly regarding the
20 establishment and operation of community investment
21 corporations. The reports must include recommendations
22 concerning, without limitation:

23 (1) establishing policies regarding community
24 investment corporations;

1 (2) approving community investment corporations in the
2 State or regionally;

3 (3) establishing guidelines for citizens of localities
4 to petition for local referenda to create community
5 investment corporations and to determine the participation
6 plan for allocation, shareholder governance and ownership
7 rights, the issuance and cancellation of shares of
8 community investment corporations, and the disposition of
9 assets in the event of their dissolution;

10 (4) establishing tax reforms that encourage the use and
11 effectiveness of community investment corporations through
12 their exemption from all State and local taxes on their
13 holdings of land, natural resources, improvements, other
14 tangible and intangible assets, undistributed capital
15 gains and undistributed profits, provided that at least 90
16 percent of their annual profits are distributed as taxable
17 dividends, other forms of taxable distributions to its
18 shareholders and workers, and debt service payments on its
19 loans;

20 (5) rendering assistance to localities on problems,
21 concerns, and issues related to the development of
22 community investment corporations;

23 (6) undertaking studies and gathering information and
24 data to accomplish its purposes as set forth in this
25 Section and to formulate and present its recommendations to
26 the Governor and the General Assembly;

1 (7) applying for, accepting, and expending gifts,
2 grants, loans, or donations from public, quasi-public, or
3 private sources, including any matching funds as may be
4 designated in an appropriation to the Department, to enable
5 the Commission to carry out its purpose; and

6 (8) accounting annually on its fiscal activities,
7 including any matching funds received or expended by the
8 Commission.

9 Section 25. Funding sources.

10 (a) Subject to appropriation, the Department shall develop
11 and maintain a program to make grants to communities seeking to
12 establish community investment corporations and encourage them
13 to become self-sustaining from land rentals and other fees
14 within the first 5 years of their formation. The procedures for
15 grant application shall be established by the Department by
16 rule.

17 (b) The Commission, as a vital part of its function, shall
18 seek funding from local, State, federal and private sources to
19 make grants and loans and otherwise enhance the development of
20 community investment corporations. The Department shall advise
21 the Commission of all available sources of funding for economic
22 development that it is aware of and shall assist the Commission
23 and community investment corporations in securing such
24 funding.

25 (c) Funds received under this Section shall be deposited

1 into the Community Investment Corporation Fund, a special fund
2 in the State treasury. Subject to appropriation, moneys in the
3 Fund shall be expended for the purposes of this Act.

4 Section 90. The State Finance Act is amended by adding
5 Section 5.719 as follows:

6 (30 ILCS 105/5.719 new)

7 Sec. 5.719. The Community Investment Corporation Fund.