

Illinois Sports Facilities Authority Act

(70 ILCS 3205/1) (from Ch. 85, par. 6001)

Sec. 1. Short title. This Act may be cited as the Illinois Sports Facilities Authority Act.

(Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/2) (from Ch. 85, par. 6002)

Sec. 2. Definitions; general provisions. In this Act the following words have the meanings indicated:

(A) "Authority" means the Illinois Sports Facilities Authority.

(B) "Facility" means:

(1) Stadiums, arenas or other structures for the holding of athletic contests and other events and gatherings, including, without limitation, baseball, football and automobile racing; musical, dramatic and other artistic, cultural or social events; public meetings; and other public events; and

(2) Practice fields, or other areas where professional sports teams and other sports teams may practice or perform.

(3) "Facility" also means the following types of property if that property is related to or located near an item listed in paragraphs (1) and (2) of subsection (B) of this Section:

(i) Offices, parking lots and garages, access roads, streets, intersections, highway interchanges, pedestrian walkways, tunnels, and bridges, transportation facilities, monuments, restaurants, stores, and other facilities providing goods and services to persons attending meetings, contests, gatherings or events at the facility;

(ii) Other recreation areas and recreational facilities;

(iii) Other property or structures including all fixtures, furnishings, and appurtenances normally associated with such facilities; and

(iv) Landscaping, parks, and open spaces.

(C) "Governmental Owner" means a body politic, public corporation, political subdivision, unit of local government, or municipality formed under the laws of the State of Illinois, including, without limitation, the Chicago Park District, that owns or is to own a facility located within the corporate limits of the Authority described in Section 11 of this Act and to which the Authority provides financial assistance. Where the title to all or any part of a facility is held by a public building commission because the public building commission has financed, under the authority of the Public Building Commission Act, the acquisition of real estate or the construction, acquisition, or enlargement of improvements to real estate, or both, for any body politic, public corporation, political subdivision, unit of local government, or municipality formed under the laws of the State of Illinois, the term "governmental owner" when used with respect to that facility means the body politic, public corporation, political subdivision, unit of local government,

or municipality rather than the public building commission.

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

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

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

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

(4) a provision requiring the tenant to operate or contract for concessions for the patrons of the facility, including a stadium club and restaurant where food and beverages will be served; and

(5) a provision permitting the Authority or its designee to hold other events in any such facility owned by the Authority at such times as shall not unreasonably interfere with the use of that facility by the tenant.

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

(F) "Financial Assistance" means the use by the Authority, pursuant to an assistance agreement, of its powers under this Act, including, without limitation, the power to borrow money, to issue bonds and notes, to impose an occupation tax as provided in Section 19 of this Act and to receive and expend the proceeds of that tax, to assist a governmental owner or its tenant, or both, with one or more of the following: designing, developing, establishing, constructing, erecting, acquiring, repairing, reconstructing, renovating, remodeling, adding to, extending, improving, equipping, operating, and maintaining a facility owned or to be owned by the governmental owner.

(G) "Tenant" means any person with which a governmental owner or the Authority has entered into an agreement for the use by a professional sports team or other sports team of any facility. Such an agreement may be a management agreement or an assistance agreement or may be a lease of or a license, permit, or similar agreement with respect to the use of a facility by such team for such period as shall be agreed upon by the person and the governmental owner or the Authority, as the case may be.

(Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/3) (from Ch. 85, par. 6003)

Sec. 3. Legislative Finding and Declaration. It is hereby found that as a result of deteriorating infrastructure and sports facilities in the metropolitan area of Chicago, there is a shortage of facilities suitable for use by professional and other sports teams and musical, theatrical, cultural, and other social organizations.

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

It is further found that the creation of modern sports facilities and the other results contemplated by this Act would stimulate economic activity in the State of Illinois, including the creation and maintenance of jobs, the creation of new and lasting infrastructure and other improvements, and the attraction and retention of sports and entertainment events which generate economic activity.

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

It is further found that only three major league professional baseball franchises play in stadium facilities the construction of which has not been government-assisted and of those three the most recently constructed facility was completed in 1914.

It is further found that government assistance was or is an essential component in the financing of the construction of most recently built or planned National Football League stadiums.

It is further found that the exercise by the Authority and governmental owners of the additional powers conferred by this amendatory Act of the 91st General Assembly (i) will materially assist the development and redevelopment of government owned sports facilities and thereby alleviate in part the deleterious conditions and confer the public benefits described in this Section and (ii) is in the public interest and is declared to be for public purposes.

(Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/4) (from Ch. 85, par. 6004)

Sec. 4. Creation of Authority. There is hereby created a political subdivision, unit of local government, body politic and municipal corporation by the name and style of the Illinois Sports Facilities Authority.

The governing and administrative powers of the Authority shall be vested in a body known as the Illinois Sports Facilities Authority Board. The Board shall consist of 7 members, a Chairman who shall be appointed by the Governor subject to the approval of the Mayor of the City of Chicago, 3 members shall be appointed by the Governor and 3 members shall be appointed by the Mayor of the City of Chicago. All gubernatorial appointments including the Chairman, shall be subject to the advice and consent of the Senate, except in the case of temporary appointments as provided in Section 5 of this Act. No member shall be employed by the State or any political subdivision of the State or of any department or agency thereof.

(Source: P.A. 85-8.)

(70 ILCS 3205/5) (from Ch. 85, par. 6005)

Sec. 5. Terms of Appointments. On the effective date of

this Act, the Governor shall appoint 3 members of the Board for initial terms expiring July 1 of the years 1988, 1989 and 1990, respectively and the Mayor of the City of Chicago shall appoint 3 members of the Board for initial terms expiring July 1 of the years 1988, 1989 and 1990, respectively. At the expiration of the term of any member appointed by the Governor, his successor shall be appointed by the Governor in like manner, and at the expiration of the term of any member appointed by the Mayor of the City of Chicago, his successor shall be appointed by the Mayor of the City of Chicago in like manner, as appointments for the initial terms. All successors shall hold office for a term of 3 years from the first day of July of the year in which they are appointed, except in case of an appointment to fill a vacancy. The initial Chairman shall serve in that capacity for a term expiring July 1, 1991. All subsequent Chairmen shall hold office for a term of 3 years. Each member, including the Chairman, shall hold office until the expiration of his term and until his successor is appointed and qualified. Nothing shall preclude a member or a chairman from serving consecutive terms. Vacancies for members and for the Chairman shall be filled in the same manner as original appointments for the balance of the unexpired term.

In case of a vacancy in the office of the chairman or of any of the three members of the Board appointed by the Governor during the recess of the Senate, the Governor shall make a temporary appointment until the next meeting of the Senate, when he shall appoint some person to fill such office. Any person so appointed who is confirmed by the Senate shall hold office during the remainder of the term and until his successor is appointed and qualified. The initial appointments by the Governor, including the chairman, shall be effective immediately, but shall remain in effect no longer than 30 calendar days after commencement of the next Senate session unless the appointee is confirmed by the Senate within that time. The appointment of the initial chairman by the Governor shall be subject to the approval of the Mayor of the City of Chicago.

(Source: P.A. 85-8.)

(70 ILCS 3205/6) (from Ch. 85, par. 6006)

Sec. 6. Actions of Members. (A) Four members of the Authority constitute a quorum for the purpose of conducting business. Actions of the Authority must receive the affirmative vote of at least four members. The Authority shall determine the times and places of its meetings. The members of the Authority shall serve without compensation for service as a member, but are entitled to reimbursement of reasonable expenses incurred in the performance of their official duties.

(B) The Authority shall annually elect a secretary and a treasurer. An executive committee made up of three members, comprised of the Chairman, one member who was appointed by the Governor and one member who was appointed by the Mayor of Chicago shall have the authority to operate the Authority on a day-to-day basis, with the powers and duties determined by the Bylaws of the Authority.

(Source: P.A. 85-8.)

(70 ILCS 3205/7) (from Ch. 85, par. 6007)

Sec. 7. Executive Director. The Authority shall appoint an

Executive Director, who is the chief executive officer of the Authority.

In addition to any other duties set forth in this Act, the Executive Director shall:

- (1) Direct and supervise the administrative affairs and activities of the Authority, in accordance with its rules, regulations, and policies;
- (2) Attend meetings of the Authority;
- (3) Keep minutes of all proceedings of the Authority;
- (4) Approve all accounts for salaries, per diem payments, and allowable expenses of the Authority and its employees and consultants and approve all expenses incidental to the operation of the Authority;
- (5) Report and make recommendations to the Authority on the merits and status of any proposed facility; and
- (6) Perform any other duty that the Authority requires for carrying out the provisions of this Act.

(Source: P.A. 84-1470.)

(70 ILCS 3205/7.8)

Sec. 7.8. Illinois Sports Facilities Authority Advisory Board.

(a) There is created the Illinois Sports Facilities Authority Advisory Board composed of 12 members who are members of the General Assembly and who are appointed 3 each by the President of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives, and the Minority Leader of the House of Representatives.

(b) Members of the Advisory Board shall serve as long as they hold their designated elected positions. Vacancies shall be filled by appointment for the unexpired term in the same manner as original appointments are made. The Advisory Board shall elect its own chairperson.

(c) Members of the Advisory Board shall serve without compensation but, at the Authority's discretion, shall be reimbursed for necessary expenses in connection with the performance of their duties.

(d) The Advisory Board shall meet quarterly, or as needed, shall produce any reports it deems necessary, and shall do the following:

(1) Work with the Authority and the Chicago Park District regarding potential means for providing increased economic opportunities to minorities and women produced indirectly or directly from the reconstruction, renovation, remodeling, extension, or improvement of a facility in connection with which the Authority is providing financial assistance pursuant to an assistance agreement under this Act.

(2) Work with the Authority and the Chicago Park District to find candidates for building trades apprenticeships, for employment in the hospitality industry, and to identify job training programs.

(3) Work with the Authority and the Chicago Park District to implement this Section in the reconstruction, renovation, remodeling, extension, or improvement of a facility in connection with which the Authority is providing financial assistance pursuant to an assistance agreement under this Act, including the Authority's goal

of awarding not less than 25% and 5% of the annual dollar value of contracts to minority and female owned businesses, the outreach program for minorities and women, and the mentor/protege program for providing assistance to minority and female owned businesses.

(e) Notwithstanding the provisions of subsection (b), the Advisory Board is dissolved (i) on January 1, 2004 or (ii) 6 months after 90 days after the first professional football game is played in the facility in connection with which the Authority provided financial assistance pursuant to an assistance agreement under this Act, whichever is later. (Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/8) (from Ch. 85, par. 6008)

Sec. 8. Powers. In addition to the powers set forth elsewhere in this Act, the Authority may:

- (1) Adopt and alter an official seal;
- (2) Sue and be sued, plead and be impleaded, all in its own name, and agree to binding arbitration of any dispute to which it is a party;
- (3) Adopt bylaws, rules, and regulations to carry out the provisions of this Section;
- (4) Maintain an office or offices at such place as the Authority may designate;
- (5) Employ, either as regular employees or independent contractors, consultants, engineers, architects, accountants, attorneys, financial experts, construction experts and personnel, superintendents, managers and other professional personnel, and such other personnel as may be necessary in the judgment of the Authority, and fix their compensation;
- (6) Determine the locations of, develop, design, establish, construct, erect, acquire, own, repair, reconstruct, renovate, remodel, add to, extend, improve, equip, operate, regulate and maintain facilities, and provide financial assistance to governmental owners or their tenants, or both, pursuant to an assistance agreement to do the foregoing, in each case to the extent necessary to accomplish the purposes of the Authority;
- (7) Acquire, hold, lease as lessor or as lessee, use, encumber, transfer, or dispose of real and personal property, including the alteration of or demolition of improvements to real estate;
- (8) Enter into contracts of any kind;
- (9) Regulate the use and operation of facilities that are developed under the provisions of this Act;
- (10) Enter into one or more management agreements which conform to the requirements of this Act and which may contain such provisions as the Authority shall determine, including, without limitation, (i) provisions allocating receipts from rents, rates, fees and charges for use of the facility or for services rendered in connection with the facility between the Authority and the tenant of the facility; (ii) provisions providing for or limiting payments to the Authority for use of the facility based on levels of attendance or receipts, or both attendance and receipts, of the tenant from admission charges, parking concessions, advertising, radio and

television and other sources; (iii) provisions obligating the Authority to make payments to the tenant with respect to expenses of routine maintenance and operation of any facility and operating expenses of the tenant with respect to use of the facility; (iv) provisions requiring the Authority to pay liquidated damages to the tenant for failure of timely completion of construction of any new facility; (v) provisions permitting the Authority to grant rent-free occupancy of an existing facility pending completion of construction of any new facility and requiring the Authority to pay certain incremental costs of maintenance, repair, replacement and operation of an existing facility in the event of failure of timely completion of construction of any new facility; (vi) provisions requiring the Authority to reimburse the tenant for certain State and local taxes and provisions permitting reductions of payments due the Authority by the tenant or reimbursement of the tenant by the Authority in the event of imposition of certain new State and local taxes, or the increase above specified levels of certain existing State and local taxes, or both; (vii) provisions obligating the Authority to purchase tickets to events conducted by the tenant based upon specified attendance levels; (viii) provisions granting the tenant the right and option to extend the term of the management agreement; (ix) provisions creating an assignment and pledge by the Authority of certain of the Authority's revenues and receipts to be received under Section 19 of this Act for the benefit of the tenant of the facility as further security for performance by the Authority of its obligations under the management agreement; and (x) provisions requiring the establishment of reserves by the Authority or by the tenant, or both, as further security for the performance of their respective obligations under the management agreement;

(11) Enter into one or more assistance agreements that conform to the requirements of this Act and that may contain such provisions as the Authority shall determine establishing the rights and obligations of the Authority and the governmental owner or a tenant, or both, with respect to the facility for which the Authority is to provide financial assistance including, without limitation, such provisions as are described in paragraph (10) of this Section;

(12) 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 and enter into reimbursement agreements with this person which may be secured as if money were borrowed from the person;

(13) Issue bonds or notes under Section 13 of this Act;

(14) Receive and accept from any source, private or

public, contributions, gifts, or grants of money or property;

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

(16) Provide for the insurance of any property, operations, officers, agents or employees of the Authority against any risk or hazard and to provide for the indemnification of its members, employees, contractors or agents against any and all risks;

(17) Provide relocation assistance and compensation for landowners and their lessees displaced by any land acquisition of the Authority, including the acquisition of land and construction of replacement housing thereon as the Authority shall determine;

(18) Sell, convey, lease, or grant a permit or license with respect to, or by agreement authorize another person on its behalf to sell, convey, lease, or grant a permit or license with respect to (A) the right to use or the right to purchase tickets to use, or any other interest in, any seat or area within a facility, (B) the right to name or place advertising in all or any part of a facility, or (C) any intangible personal property rights, including intellectual property rights, appurtenant to any facility, the proceeds of which are used for the purpose of carrying out the powers granted by the Act;

(19) Adopt such rules as are necessary to carry out those powers conferred and perform those duties required by this Act;

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

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

The Authority may not construct or enter into a contract to construct more than one new stadium facility and may not enter into assistance agreements providing for the reconstruction, renovation, remodeling, extension, or improvement of all or substantially all of more than one existing facility unless authorized by law.

The Authority may adopt such rules pursuant to the Illinois Administrative Procedure Act as are necessary to carry out those powers and duties conferred by this Act. The Authority may initially adopt, by January 1, 1989, such rules as emergency rules in accordance with the provisions of Section 5-45 of the Illinois Administrative Procedure Act. For purposes of the Illinois Administrative Procedure Act, the adoption of the initial rules shall be deemed to be an emergency and necessary for the public interest, safety and welfare.

(Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/9) (from Ch. 85, par. 6009)

Sec. 9. Duties. In addition to the powers set forth elsewhere in this Act, subject to the terms of any agreements with the holders of the Authority's bonds or notes, the

Authority shall:

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

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

(3) With respect to a facility owned or to be owned by a governmental owner other than the Authority, enter into an assistance agreement with either a governmental owner of a facility or its tenant, or both, that requires the tenant, or if the tenant is not a party to the assistance agreement requires the governmental owner to enter into an agreement with the tenant that requires the tenant to use the facility for a period at least as long as the term of any bonds issued to finance the reconstruction, renovation, remodeling, extension or improvement of all or substantially all of the facility.

(4) Create and maintain a separate financial reserve for repair and replacement of capital assets of any facility owned by the Authority or for which the Authority provides financial assistance and deposit into this reserve not less than \$1,000,000 per year for each such facility beginning at such time as the Authority and the tenant, or the Authority and a governmental owner of a facility, as applicable, shall agree.

(5) In connection with prequalification of general contractors for the construction of a new stadium facility or the reconstruction, renovation, remodeling, extension, or improvement of all or substantially all of an existing facility, the Authority shall require submission of a commitment detailing how the general contractor will expend 25% or more of the dollar value of the general contract with one or more minority business enterprises and 5% or more of the dollar value with one or more female business enterprises. This commitment may be met by contractor's status as a minority business enterprise or female business enterprise, by a joint venture or by subcontracting a portion of the work with or by purchasing materials for the work from one or more such enterprises, or by any combination thereof. Any contract with the general contractor for construction of the new stadium facility and any contract for the reconstruction, renovation, remodeling, adding to, extension or improvement of all or substantially all of an existing facility shall require the general contractor to meet the foregoing obligations and shall require monthly reporting

to the Authority with respect to the status of the implementation of the contractor's affirmative action plan and compliance with that plan. This report shall be filed with the General Assembly. The Authority shall establish and maintain an affirmative action program designed to promote equal employment opportunity which specifies the goals and methods for increasing participation by minorities and women in a representative mix of job classifications required to perform the respective contracts. The Authority shall file a report before March 1 of each year with the General Assembly detailing its implementation of this paragraph. The terms "minority business enterprise" and "female business enterprise" shall have the same meanings as "minority owned business" and "female owned business", respectively, as defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

(6) Provide for the construction of any new facility pursuant to one or more contracts which require delivery of a completed facility at a fixed maximum price to be insured or guaranteed by a third party determined by the Authority to be financially capable of causing completion of such construction of the new facility.

In connection with any assistance agreement with a governmental owner that provides financial assistance for a facility to be used by a National Football League team, the assistance agreement shall provide that the Authority or its agent shall enter into the contract or contracts for the design and construction services or design/build services for such facility and thereafter transfer its rights and obligations under the contract or contracts to the governmental owner of the facility. In seeking parties to provide design and construction services or design/build services with respect to such facility, the Authority may use such procurement procedures as it may determine, including, without limitation, the selection of design professionals and construction managers or design/builders as may be required by a team that is at risk, in whole or in part, for the cost of design and construction of the facility.

An assistance agreement may not provide, directly or indirectly, for the payment to the Chicago Park District of more than a total of \$10,000,000 on account of the District's loss of property or revenue in connection with the renovation of a facility pursuant to the assistance agreement.

(Source: P.A. 91-935, eff. 6-1-01; 92-16, eff. 6-28-01.)

(70 ILCS 3205/10) (from Ch. 85, par. 6010)

Sec. 10. Reporting.

(1) Promptly following entering into a management agreement or an assistance agreement involving a new facility or facility site, the Authority shall submit a detailed written report and findings of the Authority with respect to the proposed management agreement or assistance agreement to the General Assembly.

(2) The report and findings of the Authority shall include:

(i) A detailed plan of the method of funding the management agreement or assistance agreement;

(ii) An evaluation of the economic consequences of the proposed management agreement or assistance agreement; and

(iii) If applicable, an analysis of the reasons for acquiring a site for constructing a new facility.
(Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/11) (from Ch. 85, par. 6011)

Sec. 11. Territory. The corporate limits of the Authority shall be coterminous with the boundaries of the City of Chicago. Facilities constructed by the Authority or for which the Authority provides financial assistance may be located only within the corporate limits of the Authority.

(Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/12) (from Ch. 85, par. 6012)

Sec. 12. Acquisition of property. The Authority may acquire in its own name, by gift or purchase, any real or personal property, or interests in real or personal property, necessary or convenient to carry out its corporate purposes.

The Authority may acquire by eminent domain, by complaint filed before July 1, 1991 pursuant to Article VII of the Code of Civil Procedure, as amended, and the Authority may acquire by immediate vesting of title, commonly referred to as "quick take", pursuant to Sections 7-103 through 7-112 of the Code of Civil Procedure, as amended, real or personal property or interests in real or personal property located within any of the following described parcels:

Parcel A:

That property located within the City of Chicago bounded by 33rd Street on the North, Normal Street on the West, 35th Street on the South and the Western most part of the right-of-way of the Chicago and Western Indiana R.R. on the East.

Parcel B:

That property located within the City of Chicago bounded by 33rd Street on the North, the Eastern most part of the right-of-way of the Conrail R.R. on the West, 37th Street on the South and Wentworth Avenue on the East with the exception of the following: Lots 1 to 10, inclusive, and Lot 13 in Le Moyne's Subdivision of the South 1/2 of Block 19 of Canal Trustees' Subdivision of Section 33, Township 39 North, Range 14, East of the Third Principal Meridian, together with those parts of the East 1/2 of the vacated North and South 16 foot alley in said subdivision lying West of and adjoining said lots;

also excepting

Lots 42, 43, 44 and 45 in Le Moyne's Subdivision aforesaid together with the North 1/2 of the vacated East and West 16 foot alley in said subdivision lying South of and adjoining said Lot 45, and also those parts of the West 1/2 of the vacated North and South 16 foot alley in said subdivision lying East of and adjoining said Lots 42, 43, 44 and 45 and the North 1/2 of the vacated East and West 16 foot alley lying South of and adjoining said Lot 45;

also excepting

Lots 14 to 23, inclusive, and Lot 24 (except the North 16 feet thereof) in Le Moyne's Subdivision of the South 1/2 of Block 19 of Canal Trustees' Subdivision of Section 33, Township 39

North, Range 14, East of the Third Principal Meridian, together with those parts of the East 1/2 of the vacated North and South 16 foot alley in said subdivision lying West of and adjoining said lots and part of lot;

also excepting

Lots 27 to 37, inclusive, in Le Moyne's Subdivision aforesaid together with that part of the South 1/2 of the vacated East and West 8 foot alley in said subdivision lying North of and adjoining said Lot 27, and also those parts of the West 1/2 of the vacated North and South 16 foot alley said subdivision lying East of and adjoining said Lots 28 to 37, inclusive, and that part of said Lot 27 lying South of the South line of the North 16 feet of Lot 24 in said subdivision extended West, all in Cook County, Illinois.

Parcel C:

That property located within the City of Chicago bounded by 37th Street on the North, the Eastern most part of the right-of-way of the Conrail R.R. on the West, 39th Street on the South and Princeton Ave on the East.

Provided, however, that the Authority shall not have the power to acquire by eminent domain any property located within Parcel A, Parcel B or Parcel C which was, on January 1, 1987, owned, leased, used or occupied by the City of Chicago, the Chicago Board of Education, the Chicago Housing Authority, the Chicago Park District, or any other public body.

(Source: P.A. 85-1034.)

(70 ILCS 3205/13) (from Ch. 85, par. 6013)

Sec. 13. Bonds and notes.

(A) (1) The Authority may 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 and costs of issuance. In this Act the term "bonds" includes notes of any kind, interim certificates, refunding bonds, or any other evidence of obligation for borrowed money issued under this Section 13. Bonds may be issued in one or more series and may be payable and secured either on a parity with or separately from other bonds.

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

(i) Rents, rates, fees, charges or other revenues payable to or any receipts of the Authority, including amounts which are deposited pursuant to the Act with a trustee for bondholders;

(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 may 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 may:

(i) Mature at a time or times, whether as serial

bonds or as term bonds or both, not exceeding 40 years from their respective dates of issue;

(ii) Notwithstanding the provision of "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 now or hereafter amended, or any other provision of law, bear interest at any 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 exchange, transfer or 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 all or any part of the revenues of the Authority or proceeds or benefits of any contract including, without limit, any management agreement or assistance agreement and conveying or otherwise securing any property or property rights;

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

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

(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, advance 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 security for its bonds.

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

(2) The revenues and receipts 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, management agreement or assistance agreement or any 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, advance refund or refinance 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 or advance 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, or for paying principal of, redemption premium, if any, and interest on bonds as they mature or are subject to redemption, and may be issued in one or more series in an amount in excess of that of the bonds to be refunded.

(G) At no time shall the total outstanding bonds and notes of the Authority issued under this Section 13 exceed (i) \$150,000,000 in connection with facilities owned by the Authority and (ii) \$399,000,000 in connection with facilities owned by a governmental owner other than the Authority. Bonds which are being paid or retired by issuance, sale or delivery of bonds or notes, and bonds or notes for which sufficient funds have been deposited with the paying agent or trustee to provide for payment of principal and interest thereon, and any

redemption premium, as provided in the authorizing resolution, shall not be considered outstanding for the purposes of this paragraph.

(H) The bonds and notes of the Authority shall not be indebtedness of the City of Chicago, of the State, or of any political subdivision of the State other than the Authority. The bonds and notes of the Authority are not general obligations of the State of Illinois or the City of Chicago, or of any other political subdivision of the State other than the Authority, and are not secured by a pledge of the full faith and credit of the State of Illinois or the City of Chicago, or of any other political subdivision of the State other than the Authority, and the holders of bonds and notes of the Authority may not require the levy or imposition by the State or the City of Chicago, or any other political subdivision of the State other than the Authority, of any taxes or, except as provided in this Act, the application of revenues or funds of the State of Illinois or the City of Chicago or any other political subdivision of the State other than the Authority to the payment of bonds and notes of the Authority.

(I) In order to provide for the payment of debt service requirements (including amounts for reserve funds and to pay the costs of credit enhancements) on bonds issued pursuant to this Act, the Authority may provide in any trust agreement securing such bonds for a pledge and assignment of its right to all amounts to be received from the Illinois Sports Facilities Fund and for a pledge and assignment (subject to the terms of any management agreement or assistance agreement) of all taxes and other amounts to be received under Section 19 of this Act and may further provide by written notice to the State Treasurer and State Comptroller (which notice shall constitute a direction to those officers) for a direct payment of these amounts to the trustee for its bondholders.

(J) The State of Illinois pledges to and agrees with the holders of the bonds and notes of the Authority issued pursuant to this Act 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 Act that the State will not limit or alter the basis on which State funds are to be allocated, deposited and 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. (Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/14) (from Ch. 85, par. 6014)

Sec. 14. 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. 84-1470.)

(70 ILCS 3205/15) (from Ch. 85, par. 6015)

Sec. 15. Tax Exemption.

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

(B) Bonds issued by the Authority, their transfer, the interest payable on them, and any income derived from them shall be exempt from income taxes or from taxation by any political subdivisions, municipal corporations or public agencies of any kind of this State. 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. 91-935, eff. 6-1-01.)

(70 ILCS 3205/16) (from Ch. 85, par. 6016)

Sec. 16. Members or Employees of Authority; Conflicting Relations or Interests; Effect. No members or employees of the Authority shall be employed by, be an officer or director of, or have any ownership interest in any corporation or entity which is or is to be a party to a management agreement or assistance agreement with the Authority under this Act or which is a tenant of any facility for which financial assistance is or is to be provided under this Act. No monies of the Authority shall be deposited in any financial institution in which any officer, director or holder of a substantial proprietary interest is also a member or employee of the Authority. No real estate to which a member or employee of the Authority holds legal title or in which such person had any beneficial interest, including any interest in a land trust, shall be purchased by the Authority or by a corporation or entity for a facility 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 to 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. 91-935, eff. 6-1-01.)

(70 ILCS 3205/17) (from Ch. 85, par. 6017)

Sec. 17. Members or Employees of Authority - Conflicting

Relations or Interests - Effects.

(A) In addition to the prohibitions of Section 16 of this Act, no member of the Authority or officer, agent or employee thereof 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) of this Section or Section 16 of this Act, 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 subsections (A) or (B) of this Section shall be null and void and give rise to no action against the Authority.

(Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/18) (from Ch. 85, par. 6018)

Sec. 18. 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 books 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, the Commission on Government Forecasting and Accountability, by March 1 of each year, a written report covering its activities for the previous fiscal year and so 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. 93-1067, eff. 1-15-05.)

(70 ILCS 3205/19) (from Ch. 85, par. 6019)

Sec. 19. Tax. The Authority may impose an occupation tax upon all persons engaged in the City of Chicago in the business of renting, leasing or letting rooms in a hotel, as defined in The Hotel Operators' Occupation Tax Act, at a rate not to exceed 2% of the gross rental receipts from the renting, leasing or letting of hotel rooms located within the City of Chicago, excluding, however, from gross rental receipts, the proceeds of such renting, leasing or letting to permanent residents of that hotel and proceeds from the tax imposed under subsection (c) of Section 13 of the Metropolitan Pier and Exposition Authority Act.

The tax imposed by the Authority pursuant to this Section and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the State Department of Revenue. The certificate of registration which is issued by the Department to a lessor under The Hotel Operators' Occupation Tax Act shall permit such registrant to engage in a business which is taxable under any ordinance or resolution enacted pursuant to this Section without registering separately with the Department under such ordinance or resolution or under this Section. The Department shall have full power to administer and enforce this Section; to collect all taxes and penalties due hereunder; to dispose of taxes and penalties so collected in the manner provided in this Section, and to determine all rights to credit memoranda, arising on account of the erroneous payment of tax or penalty hereunder. In the administration of, and compliance with, this Section, the Department and persons who are subject to this Section shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties and definitions of terms, and employ the same modes of procedure, as are prescribed in The Hotel Operators' Occupation Tax Act (except where that Act is inconsistent herewith), as the same is now or may hereafter be amended, as fully as if the provisions contained in The Hotel Operators' Occupation Tax Act were set forth herein.

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

Persons subject to any tax imposed pursuant to authority granted by this Section may reimburse themselves for their tax liability for such tax by separately stating such tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax imposed under The Hotel Operators' Occupation Tax Act, the municipal tax imposed under Section 8-3-13 of the Illinois Municipal Code, and the tax imposed under Section 13 of the Metropolitan Pier and Exposition Authority Act.

The Department shall forthwith pay over to the State

Treasurer, ex-officio, as trustee for the Authority, all taxes and penalties collected hereunder for deposit in a trust fund outside the State Treasury. On or before the 25th day of each calendar month, the Department shall certify to the Comptroller the amount to be paid to or on behalf of the Authority from amounts collected hereunder by the Department, and deposited into such trust fund during the second preceding calendar month. The amount to be paid to or on behalf of the Authority shall be the amount (not including credit memoranda) collected hereunder during such second preceding calendar month by the Department, less an amount equal to the amount of refunds authorized during such second preceding calendar month by the Department on behalf of the Authority, and less 4% of such balance, which sum shall be retained by the State Treasurer to cover the costs incurred by the Department in administering and enforcing the provisions of this Section, as provided herein. Each such monthly certification by the Department shall also certify to the Comptroller the amount to be so retained by the State Treasurer for payment into the General Revenue Fund of the State Treasury.

Each monthly certification by the Department shall certify, of the amount paid to or on behalf of the Authority, (i) the portion to be paid to the Authority, (ii) the portion to be paid into the General Revenue Fund of the State Treasury on behalf of the Authority as repayment of amounts advanced to the Authority pursuant to appropriation from the Illinois Sports Facilities Fund.

With respect to each State fiscal year, of the total amount to be paid to or on behalf of the Authority, the Department shall certify that payments shall first be made directly to the Authority in an amount equal to any difference between the annual amount certified by the Chairman of the Authority pursuant to Section 8.25-4 of the State Finance Act and the amount appropriated to the Authority from the Illinois Sports Facilities Fund. Next, the Department shall certify that payment shall be made into the General Revenue Fund of the State Treasury in an amount equal to the difference between (i) the lesser of (x) the amount appropriated from the Illinois Sports Facilities Fund to the Authority and (y) the annual amount certified by the Chairman of the Authority pursuant to Section 8.25-4 of the State Finance Act and (ii) \$10,000,000. The Department shall certify that all additional amounts shall be paid to the Authority and used for its corporate purposes.

Within 10 days after receipt, by the Comptroller, of the Department's monthly certification of amounts to be paid to or on behalf of the Authority and amounts to be paid into the General Revenue Fund, the Comptroller shall cause the warrants to be drawn for the respective amounts in accordance with the directions contained in such certification.

Amounts collected by the Department and paid to the Authority pursuant to this Section shall be used for the corporate purposes of the Authority. On June 15, 1992 and on each June 15 thereafter, the Authority shall repay to the State Treasurer all amounts paid to it under this Section and otherwise remaining available to the Authority after providing for (i) payment of principal and interest on, and other

payments related to, its obligations issued or to be issued under Section 13 of the Act, including any deposits required to reserve funds created under any indenture or resolution authorizing issuance of the obligations and payments to providers of credit enhancement, (ii) payment of obligations under the provisions of any management agreement with respect to a facility or facilities owned by the Authority or of any assistance agreement with respect to any facility for which financial assistance is provided under this Act, and payment of other capital and operating expenses of the Authority, including any deposits required to reserve funds created for repair and replacement of capital assets and to meet the obligations of the Authority under any management agreement or assistance agreement. Amounts repaid by the Authority to the State Treasurer hereunder shall be treated as repayment of amounts deposited into the Illinois Sports Facilities Fund and credited to the Subsidy Account and used for the corporate purposes of the Authority. The State Treasurer shall deposit \$5,000,000 of the amount received into the General Revenue Fund; thereafter, at the beginning of each fiscal year the State Treasurer shall certify to the State Comptroller for all prior fiscal years the cumulative amount of any deficiencies in repayments to the City of Chicago of amounts in the Local Government Distributive Fund that would otherwise have been allocated to the City of Chicago under the State Revenue Sharing Act but instead were paid into the General Revenue Fund under Section 6 of the Hotel Operators' Occupation Tax Act and that have not been reimbursed, and the Comptroller shall, during the fiscal year at the beginning of which the certification was made, cause warrants to be drawn from the amount received for the repayment of that cumulative amount to the City of Chicago until that cumulative amount has been fully reimbursed; thereafter, the State Treasurer shall deposit the balance of the amount received into the trust fund established outside the State Treasury under subsection (g) of Section 13 of the Metropolitan Pier and Exposition Authority Act.

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

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

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

ordinance or resolution effecting such change or discontinuance.

(Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/20) (from Ch. 85, par. 6020)

Sec. 20. No Impairment of Management Agreement or Assistance Agreement. The State of Illinois pledges to and agrees with any tenant under any management agreement entered into by the Authority with respect to a facility and any governmental owner of a facility with which the Authority has entered into an assistance agreement with respect to such facility and, if applicable, its tenant 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 such management agreement or assistance agreement or in any way impair the rights and remedies of such tenant or governmental owner or its tenant so long as the tenant or governmental owner or its tenant is not in default thereunder. In addition, the State pledges to and agrees with such tenant, any governmental owner of a facility, and its tenant, if applicable, that the State will not limit the basis on which State funds are to be allocated, deposited and paid to the Authority, or the use of such funds, so as to impair the terms of any such management agreement or assistance agreement. The Authority is authorized to include this pledge and agreement of the State in each management agreement and assistance agreement.

(Source: P.A. 91-935, eff. 6-1-01.)

(70 ILCS 3205/21) (from Ch. 85, par. 6021)

Sec. 21. Notwithstanding any other provision of law, the Governor may allocate any volume cap available to the State or any of its agencies under the Internal Revenue Code of 1986, as now or hereafter amended, including any amounts carried forward by the State or any of its agencies with respect to stadiums, to the Illinois Sports Facilities Authority, and the Authority may carry forward any amount allocated to it by the Governor or by any home rule unit.

(Source: P.A. 85-1034.)

(70 ILCS 3205/22) (from Ch. 85, par. 6022)

Sec. 22. If the Authority has not entered into a management agreement, pursuant to Section 9 of this Act, with a major league professional baseball franchise before September 1, 1988, the Authority and any tax imposed pursuant to this Act shall be abolished September 1, 1988.

(Source: P.A. 85-1034.)