

1 AN ACT concerning revenue.

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 Local
5 Government Facility Lease Act.

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

7 "Facility property" means property owned by a municipality
8 with a population of over 500,000 inhabitants, or a unit of
9 local government whose jurisdiction includes territory located
10 in whole or in part within a municipality with a population of
11 over 500,000 inhabitants, that is used by the municipality or
12 other unit of local government for the purpose of an airport,
13 parking, or waste disposal or processing. "Airport", however,
14 does not include any airport property, as defined under Section
15 10 of the O'Hare Modernization Act.

16 "Leased facility property" means facility property that is
17 leased to a private entity for continued use for the same
18 airport, parking, or waste disposal or processing purpose.

19 Section 10. Compliance with applicable ordinances. Each
20 party to whom facility property is leased shall comply with all
21 applicable ordinances of the municipality in which the property
22 is located governing contracting with minority-owned and
23 women-owned businesses and prohibiting discrimination and
24 requiring appropriate affirmative action, to the extent
25 permitted by law and federal funding restrictions, as if the
26 party to whom the property is leased were that municipality.

27 Section 15. Limitation on the expansion of airport
28 property. Chicago Midway International Airport is facility
29 property used for airport purposes under this Act. No runway of
30 Chicago Midway International Airport shall be expanded beyond

1 the territory bounded by 55th Street on the north, Cicero
2 Avenue on the east, 63rd Street on the south, and Central
3 Avenue on the west, as those avenues and streets are situated
4 on the effective date of this Act.

5 Section 20. Use of lease proceeds by lessor.

6 (a) With respect to any leased facility property used for
7 airport purposes, at least 90% of the net proceeds of the lease
8 shall be expended or obligated by the lessor municipality for:

9 (i) the construction and maintenance of infrastructure
10 within the municipality;

11 (ii) contributions to pension funds created for
12 municipal employees; or

13 (iii) any combination of (i) or (ii).

14 (b) The amount of net proceeds expended or obligated for
15 item (ii) in subsection (a) may not exceed the amount of net
16 proceeds expended or obligated for item (i) in subsection (a).
17 As used in this Section, "net proceeds" means the gross
18 proceeds less any debt service payments on, and payments to
19 retire, debt that is specifically associated with the leased
20 facility property or otherwise required to be paid out of lease
21 proceeds.

22 Section 25. Project labor agreements for projects funded by
23 airport lease proceeds. With respect to the construction of
24 public works funded by the proceeds described in Section 20,
25 where the project has an estimated contract value of \$500,000
26 or more, where there has been a written determination that the
27 public interest in cost, timely and orderly construction, labor
28 stability, and advancement of minority-owned and women-owned
29 businesses and minority and female employment would be served
30 by a project labor agreement, and where not otherwise
31 prohibited by applicable law, the municipality or municipal
32 corporation responsible for implementing the project shall in
33 good faith negotiate a project labor agreement with labor
34 organizations engaged in the construction industry. Any

1 project labor agreement shall:

2 (1) set forth effective, immediate, and mutually
3 binding procedures for resolving jurisdictional disputes
4 and grievances arising before completion of work;

5 (2) contain guarantees against strikes, lockouts, or
6 similar actions;

7 (3) ensure a reliable source of skilled and experienced
8 labor;

9 (4) further public policy objectives as to improved
10 employment opportunities for minorities and women in the
11 construction industry to the extent permitted by State and
12 federal law;

13 (5) be made binding on all contractors and
14 subcontractors on the public works project through
15 inclusion of appropriate bid specifications in all
16 relevant bid documents; and

17 (6) include such other terms as the parties deem
18 appropriate.

19 Section 30. Labor neutrality and card check procedure
20 agreement at the leased property. With respect to employees
21 assigned to work on the premises of leased facility property
22 used for airport purposes and who are not otherwise members of
23 an existing bargaining unit cognizable under the National Labor
24 Relations Act, and where not otherwise prohibited by applicable
25 law, the lessee shall negotiate in good faith, with any union
26 that seeks to represent its employees, for a labor neutrality
27 and card check procedure agreement. The agreement shall apply
28 only to employees actually assigned to work on the premises of
29 the leased facility property used for airport purposes and
30 shall have no applicability to employees not so assigned. The
31 agreement shall contain provisions accomplishing the following
32 objectives: resolution by a third party neutral of
33 disagreements regarding bargaining unit scope, inclusions, and
34 exclusions; determination of the existence of majority support
35 for a bargaining agent by means of a card check procedure;

1 employer neutrality; prohibition of coercion or intimidation
2 of employees by either the employer or the union; and a
3 prohibition on strikes, work stoppages, or picketing for the
4 duration of the agreement.

5 Section 35. Wage requirements. In order to protect the
6 wages, working conditions, and job opportunities of employees
7 employed by the lessee of leased facility property used for
8 airport purposes to perform work on the site of the leased
9 premises previously performed by employees of the lessor on the
10 site of the leased premises and who were in recognized
11 bargaining units at the time of the lease, the lessee, and any
12 subcontractor retained by the lessee to perform such work on
13 the site of the leased premises, shall be required to pay to
14 those employees an amount not less than the economic equivalent
15 of the standard of wages and benefits enjoyed by the lessor's
16 employees who previously performed that work. The lessor shall
17 certify to the lessee the amount of wages and benefits (or
18 their equivalent) as of the time of the lease, and any changes
19 to those amounts as they may occur during the term of the
20 lease. All projects at the leased facility property used for
21 airport purposes shall be considered public works for purposes
22 of the Prevailing Wage Act.

23 Section 40. Required offers of employment. As part of any
24 transaction to lease facility property that is used for airport
25 purposes:

26 (1) the lessee must offer employment, under
27 substantially similar terms and conditions, to the
28 employees of the municipality who are employed, at the time
29 of the lease, with respect to the facility property used
30 for airport purposes; and

31 (2) the municipality must offer employment in another
32 department, division, or unit of the municipality, under
33 substantially similar terms and conditions, to employees
34 of the municipality who are employed, at the time of the

1 lease, with respect to the facility property used for
2 airport purposes.

3 Section 45. Judicial enforcement. The provisions of this
4 Act are judicially enforceable by injunctive relief and an
5 award of actual damages.

6 Section 50. Home rule preemption; exemption from State
7 Mandates Act.

8 (a) A home rule unit may not exercise its home rule powers
9 and functions in a manner that is inconsistent with this Act.
10 This subsection is a limitation under subsection (i) of Section
11 6 of Article VII of the Illinois Constitution on the concurrent
12 exercise by home rule units of powers and functions exercised
13 by the State.

14 (b) Notwithstanding Sections 6 and 8 of the State Mandates
15 Act, no reimbursement by the State is required for the
16 implementation of any mandate created by this Act.

17 Section 900. The Property Tax Code is amended by changing
18 Section 15-185 as follows:

19 (35 ILCS 200/15-185)

20 Sec. 15-185. Exemption for leaseback property and
21 qualified leased property ~~Leaseback exemption.~~

22 (a) Notwithstanding anything in this Code to the contrary,
23 all property owned by a municipality with a population of over
24 500,000 inhabitants, or a unit of local government whose
25 jurisdiction includes territory located in whole or in part
26 within a municipality with a population of over 500,000
27 inhabitants, shall remain exempt from taxation and any
28 leasehold interest in that property shall not be subject to
29 taxation under Section 9-195 if, ~~for the purpose of obtaining~~
30 ~~financing,~~ the property is directly or indirectly leased, sold,
31 or otherwise transferred to another entity whose property is
32 not exempt and immediately thereafter is the subject of a

1 leaseback or other agreement that directly or indirectly gives
2 the municipality or unit of local government (i) a right to
3 use, control, and possess the property or (ii) a right to
4 require the other entity, or the other entity's designee or
5 assignee, to use the property in the performance of services
6 for the municipality or unit of local government. Property ~~The~~
7 ~~property~~ shall no longer be exempt under this subsection
8 ~~Section~~ as of the date when the right of the municipality or
9 unit of local government to use, control, and possess the
10 property or to require the performance of services is
11 terminated and the municipality or unit of local government no
12 longer has any option to purchase or otherwise reacquire the
13 interest in the property which was transferred by the
14 municipality or unit of local government.

15 (b) Notwithstanding anything in this Code to the contrary,
16 all property owned by a municipality with a population of over
17 500,000 inhabitants, or a unit of local government whose
18 jurisdiction includes territory located in whole or in part
19 within a municipality with a population of over 500,000
20 inhabitants, shall remain exempt from taxation and any
21 leasehold interest in that property is not subject to taxation
22 under Section 9-195 if the property, including dedicated public
23 property, is used by a municipality or other unit of local
24 government for the purpose of an airport or parking or for
25 waste disposal or processing and is leased for continued use
26 for the same purpose to another entity whose property is not
27 exempt.

28 For the purposes of this subsection (b), "airport" does not
29 include any airport property, as defined under Section 10 of
30 the O'Hare Modernization Act.

31 Any transaction described under this subsection must be
32 undertaken in accordance with all appropriate federal laws and
33 regulations.

34 (c) For purposes of this Section, "municipality" means a
35 municipality as defined in Section 1-1-2 of the Illinois
36 Municipal Code, and "unit of local government" means a unit of

1 local government as defined in Article VII, Section 1 of the
2 Constitution of the State of Illinois. The provisions of this
3 Section supersede and control over any conflicting provisions
4 of this Code.

5 (Source: P.A. 93-19, eff. 6-20-03.)

6 Section 905. The Illinois Municipal Code is amended by
7 adding Section 11-102-15 as follows:

8 (65 ILCS 5/11-102-15 new)

9 Sec. 11-102-15. Chicago Midway International Airport;
10 application of other Acts. In addition to the provisions of
11 this Division 102, Chicago Midway International Airport is
12 subject to the provisions of the Local Government Facility
13 Lease Act.

14 Section 910. The Prevailing Wage Act is amended by changing
15 Section 2 as follows:

16 (820 ILCS 130/2) (from Ch. 48, par. 39s-2)

17 Sec. 2. This Act applies to the wages of laborers,
18 mechanics and other workers employed in any public works, as
19 hereinafter defined, by any public body and to anyone under
20 contracts for public works.

21 As used in this Act, unless the context indicates
22 otherwise:

23 "Public works" means all fixed works constructed by any
24 public body, other than work done directly by any public
25 utility company, whether or not done under public supervision
26 or direction, or paid for wholly or in part out of public
27 funds. "Public works" as defined herein includes all projects
28 financed in whole or in part with bonds issued under the
29 Industrial Project Revenue Bond Act (Article 11, Division 74 of
30 the Illinois Municipal Code), the Industrial Building Revenue
31 Bond Act, the Illinois Finance Authority Act, the Illinois
32 Sports Facilities Authority Act, or the Build Illinois Bond

1 Act, and all projects financed in whole or in part with loans
2 or other funds made available pursuant to the Build Illinois
3 Act. "Public works" also includes all projects financed in
4 whole or in part with funds from the Fund for Illinois' Future
5 under Section 6z-47 of the State Finance Act, funds for school
6 construction under Section 5 of the General Obligation Bond
7 Act, funds authorized under Section 3 of the School
8 Construction Bond Act, funds for school infrastructure under
9 Section 6z-45 of the State Finance Act, and funds for
10 transportation purposes under Section 4 of the General
11 Obligation Bond Act. "Public works" also includes all projects
12 financed in whole or in part with funds from the Department of
13 Commerce and Economic Opportunity ~~Community Affairs~~ under the
14 Illinois Renewable Fuels Development Program Act for which
15 there is no project labor agreement. "Public works" also
16 includes all projects at leased facility property used for
17 airport purposes under Section 35 of the Local Government
18 Facility Lease Act.

19 "Construction" means all work on public works involving
20 laborers, workers or mechanics.

21 "Locality" means the county where the physical work upon
22 public works is performed, except (1) that if there is not
23 available in the county a sufficient number of competent
24 skilled laborers, workers and mechanics to construct the public
25 works efficiently and properly, "locality" includes any other
26 county nearest the one in which the work or construction is to
27 be performed and from which such persons may be obtained in
28 sufficient numbers to perform the work and (2) that, with
29 respect to contracts for highway work with the Department of
30 Transportation of this State, "locality" may at the discretion
31 of the Secretary of the Department of Transportation be
32 construed to include two or more adjacent counties from which
33 workers may be accessible for work on such construction.

34 "Public body" means the State or any officer, board or
35 commission of the State or any political subdivision or
36 department thereof, or any institution supported in whole or in

1 part by public funds, and includes every county, city, town,
2 village, township, school district, irrigation, utility,
3 reclamation improvement or other district and every other
4 political subdivision, district or municipality of the state
5 whether such political subdivision, municipality or district
6 operates under a special charter or not.

7 The terms "general prevailing rate of hourly wages",
8 "general prevailing rate of wages" or "prevailing rate of
9 wages" when used in this Act mean the hourly cash wages plus
10 fringe benefits for training and apprenticeship programs
11 approved by the U.S. Department of Labor, Bureau of
12 Apprenticeship and Training, health and welfare, insurance,
13 vacations and pensions paid generally, in the locality in which
14 the work is being performed, to employees engaged in work of a
15 similar character on public works.

16 (Source: P.A. 92-16, eff. 6-28-01; 93-15, eff. 6-11-03; 93-16,
17 eff. 1-1-04; 93-205, eff. 1-1-04; revised 1-12-04.)

18 Section 915. The State Mandates Act is amended by adding
19 Section 8.30 as follows:

20 (30 ILCS 805/8.30 new)

21 Sec. 8.30. Exempt mandate. Notwithstanding Sections 6 and 8
22 of this Act, no reimbursement by the State is required for the
23 implementation of any mandate created by this amendatory Act of
24 the 94th General Assembly.

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