



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB2572

by Rep. Thaddeus Jones

SYNOPSIS AS INTRODUCED:

New Act

Creates the Local Government Stabilization Authority Act. Authorizes the corporate authorities of a county, municipality, or township to create, by ordinance, a Local Government Stabilization Authority that shall use available funds to facilitate the return of vacant, abandoned, and tax-delinquent properties to productive use, combatting community deterioration and creating economic growth. Provides definitions. Sets forth procedure regarding the creation of the Authority and funding sources. Further provides for the following: (1) the Authority's tax-exempt status; (2) the appointment of the Board of Directors and Chairperson, their terms of office, their removal, and vacancies; (3) the responsibilities and powers of the Board of Directors; and (4) an Executive Director to administer the Authority on a day-to-day basis. Sets forth the powers of the Authority to implement the purpose of the Act, including the authority to borrow money, enter into partnerships and joint ventures, and contract for goods and services. Permits the Authority to acquire, hold, manage, and dispose of real property. Requires the Authority to prepare an annual budget and provide annual financial statements and reports to the corporate authorities. Permits the corporate authorities to dissolve the Authority and provides requirements regarding the Authority's debts, liabilities, and obligations. Effective immediately.

LRB098 07271 OMW 37334 b

1 AN ACT concerning local government.

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 Stabilization Authority.

6 Section 5. Purpose. The purpose of this Act is to create a
7 Local Government Stabilization Authority that shall use
8 available resources to facilitate the return of vacant,
9 abandoned, and tax-delinquent properties to productive use
10 thereby combating community deterioration, creating economic
11 growth, and stabilizing the housing and job market.

12 The Authority will acquire, hold, and transfer interest in
13 real property throughout the township, municipality, or
14 county, as applicable, as approved by the Board of Directors
15 for the following purposes, in a way that is consistent with
16 the goals and priorities established by this Act:

17 (a) to promote redevelopment and reuse of vacant,
18 abandoned, and tax-delinquent properties; and

19 (b) to support targeted efforts to stabilize
20 neighborhoods;

21 (c) to stimulate residential, commercial and
22 industrial development; and

23 (d) to repair and renovate the homes of senior citizens

1 that have deteriorated over time.

2 Section 10. Definitions. The following words and terms
3 shall have the meanings set forth in this Section, except where
4 otherwise specifically indicated:

5 "Authority" means the Local Government Stabilization
6 Authority;

7 "Board of Directors" means the Board of Directors of the
8 Local Government Stabilization Authority;

9 "Chairperson" means the chairperson of the Local
10 Government Stabilization Authority Board;

11 "Corporate authorities" means the board of trustees of a
12 township, the board of trustees of a county, or the city
13 council of a municipality, as applicable, with a population of
14 at least 5,000 persons;

15 "Director" means the Executive Director of the Local
16 Government Stabilization Authority;

17 "Fiscal Year" means the fiscal year of the Local Government
18 Stabilization Authority, which shall begin on December 1st of
19 each year and end on the following November 30th;

20 "Member" means a member of the Board of Directors.

21 "Person" means any individual, corporation, limited
22 liability corporation, organization, government, governmental
23 subdivision or agency, business trust, estate, trust,
24 partnership, association and any other legal entity.

25 "Real Property" means all land and the buildings thereon,

1 all things permanently attached to land or to the buildings
2 thereon, and any interest existing in, issuing out of, or
3 dependent upon land or the buildings thereon.

4 Section 15. Creation; funding; assets.

5 (a) The corporate authorities may, by ordinance, establish
6 the Local Government Stabilization Authority to be an agency of
7 the township, municipality, or county, as applicable. All
8 personnel, facilities, equipment and supplies within the
9 Authority shall be governed by a Board of Directors as provided
10 herein. The Board of Directors shall be accountable to the
11 corporate authorities.

12 (b) The Local Government Stabilization Authority shall
13 receive funding from the reserves of the school districts
14 within the area governed by the corporate authorities enacting
15 the ordinance. The Authority shall also apply for federal
16 stabilization funding.

17 (c) Title to Local Government Stabilization Authority
18 Assets. Except as otherwise provided in this Act, the corporate
19 authorities shall hold title to all Real Property controlled by
20 the Authority.

21 Section 20. Tax-exempt Status. The activities of the
22 Authority pursuant to this Act are governmental functions
23 carried out by an instrumentality or political subdivision of
24 the State as described in Section 115 of Title 26 of the United

1 States Internal Revenue Code, or any corresponding provisions
2 of any future tax code. The activities of the Authority shall
3 be construed as governmental functions carried out by a
4 political subdivision of this State, exempt to the extent
5 provided under Illinois law from taxation by this State,
6 including, but not limited to, ad valorem property tax
7 exemption pursuant to the Property Tax Code.

8 Section 25. Authority Board of Directors; appointment. The
9 Authority shall be governed by a Board of Directors that shall
10 be appointed by the President or Chairman of the corporate
11 authority, subject to approval by the corporate authority,
12 within 45 days of the adoption of an ordinance pursuant to
13 subsection (a) of Section 15 of this Act. The Board of
14 Directors shall be residents of the township, municipality, or
15 county, as applicable. The Board of Directors shall consist of
16 12 members.

17 Candidates for the Board of Directors appointed by the
18 corporate authorities shall be selected from the following
19 categories:

20 (a) One corporate authority board member to serve as an
21 Ex-Officio Member with voting rights. The Ex-Officio Member
22 shall serve as a liaison between the corporate authority and
23 the Board of Directors;

24 (b) Three representatives recommended by the mayor,
25 president, or manager, as applicable.

1 (c) One representative from the local economic development
2 community;

3 (d) One representative from a community development
4 finance institution;

5 (e) One representative from the banking community;

6 (f) One representative from a local or state Realtor
7 Association;

8 (g) One representative from the non-profit development
9 community;

10 (h) One representative from the commercial or industrial
11 development community;

12 (i) One representative from the open space community; and

13 (j) One representative from a township, municipal, or
14 county community organization.

15 Section 30. Term of office. Except as otherwise provided in
16 this Section, the members of the Board of Directors appointed
17 under Section 25 shall be appointed for a term of 3 years.

18 (a) Ex-Officio Member. The ex-officio member shall serve as
19 the ex-officio member for the length of the board member's term
20 on the board of the corporate authority.

21 (b) The Remaining Members. The remaining 12 members of the
22 Board of Directors shall serve terms as follows:

23 (1) For the initial Members:

24 (a) Three of the Members, subject to the approval
25 of the corporate authorities, shall serve a term that

1 expires on January, 1, 2015.

2 (b) Three of the Members, subject to the approval
3 of the corporate authority, shall serve a term that
4 expires on January, 1, 2016.

5 (c) Three of the Members, subject to the approval
6 of the corporate authorities, shall serve a term that
7 expires on January, 1, 2017.

8 (d) Three of the Members, subject to the approval
9 of the corporate authorities, shall serve a term that
10 expires on January 1, 2018.

11 (2) Thereafter, the Members, other than the ex-officio
12 member appointed, shall serve a term of 3 years.

13 (a) Each Member, whether initial or subsequent,
14 shall serve until a successor is appointed.

15 (b) Any Member who is appointed to fill a vacancy,
16 other than a vacancy caused by the expiration of the
17 predecessor's term, shall serve until the expiration
18 of his or her predecessor's term.

19 (3) Other than the Ex-Officio Commissioner, a Member
20 may not serve more than 2 consecutive full terms.

21 Section 35. Chairperson; members of the Board of Directors.

22 (a) The Board of Directors shall select the initial
23 Chairperson of the Board from among the initial members. The
24 Chairperson shall serve one 2-year term as Chairperson and,
25 thereafter, the Board of Directors shall annually elect a

1 Chairperson from among the members.

2 (1) The Chairperson shall preside at meetings of the
3 Board of Directors and is entitled to vote on all matters
4 before the Board of Directors.

5 (2) A Member may be elected to serve successive terms
6 as Chairperson.

7 (b) The Board of Directors may appoint, from its Members, a
8 Member to serve as the Local Government Stabilization Authority
9 secretary and appoint additional officers from its Members as
10 it may deem appropriate.

11 Section 40. Removal. A Member may be removed by the
12 corporate authorities prior to the expiration of the Member's
13 term of appointment for good cause. Good cause includes
14 inefficiency, neglect of duty, malfeasance, or any cause which
15 renders the member unfit for the position or unable to perform
16 the duties of the position. The corporate authorities shall
17 provide written notice to that Member and the Chairperson of
18 the Board of the removal of that Member from the Board of
19 Directors. The notice shall state the specific grounds which
20 constitute cause for removal. The Member, in receipt of such
21 notice, may request to appear before the corporate authorities
22 and present reasons in support of his or her retention.
23 Thereafter, the corporate authorities shall vote upon whether
24 there are sufficient grounds to remove that Member from office.
25 The chairperson of the corporate authorities shall notify the

1 Member of the final action of the corporate authorities.

2 Section 45. Vacancies. Any vacancy on the Board of
3 Directors caused by death, resignation, disqualification, or
4 removal shall be filled by the corporate authorities as soon as
5 practicable, but not to exceed 60 days following the occurrence
6 of the vacancy. The vacancy shall be filled for the remainder
7 of the unexpired term in the same manner as the original
8 appointment. Expired terms shall be filled by the corporate
9 authorities within 60 days after the term's expiration in the
10 same manner as the original appointment.

11 Section 50. Meetings. The Board of Directors shall conduct
12 its first meeting no later than 60 days after the appointment
13 of the Board of Directors. The place, date, and time of the
14 Local Government Stabilization Authority meetings shall be
15 determined at the discretion of the Board of Directors. All
16 meetings of the Board of Directors shall comply with the
17 Illinois Open Meetings Act.

18 Section 55. Bylaws; policies; procedures. The Board of
19 Directors shall adopt bylaws, procedures and policies
20 consistent with the provisions of this Act within 120 days
21 after the first meeting of the Board of Directors.

22 Section 60. Quorum and voting. A quorum shall be necessary

1 for the transaction of any business by the Board of Directors.
2 A majority of the Members of the Board of Directors shall
3 constitute a quorum. The Board of Directors shall act by a
4 majority vote of the Members at a meeting at which a quorum is
5 present, except as otherwise provided in this Act. Presence for
6 both quorum and voting at a Local Government Stabilization
7 Authority meeting shall be articulated by the Board of
8 Directors in its bylaws or procedures in a manner consistent
9 with the Open Meetings Act.

10 Section 65. Records of meetings. Minutes of all meetings of
11 the Board of Directors and its Committees shall be made and
12 maintained as required by the Open Meetings Act.

13 Section 70. Board of Directors; responsibilities. The
14 Board of Directors shall:

15 (a) ensure that all personnel matters are conducted free
16 from any political interference and in accordance with the
17 provisions of the Supplemental Relief Order and Consent Decree
18 established in the federal civil litigation filed in the
19 Northern District of Illinois under Case No. 69 C 2145 and
20 titled *Shakman, et al. v. Democratic Organization, et al.* and
21 all applicable laws;

22 (b) ensure that all operations, including contractual
23 matters, are conducted free from any political interference;
24 and

1 (c) ensure efficiency in service delivery and sound fiscal
2 management of all aspects of the Local Government Stabilization
3 Authority including the collection of all revenues from all
4 sources.

5 Section 75. Board of Directors; actions. The Board of
6 Directors shall do all of the following that is consistent with
7 Illinois law:

8 (a) adopt, amend or repeal rules and policies and
9 procedures governing the Board of Directors and its actions and
10 meetings, and adopt, amend or repeal policies and procedures to
11 implement day-to-day operation of the Local Government
12 Stabilization Authority, including policies governing any
13 staff of the Local Government Stabilization Authority;

14 (b) elect additional officers, including, but not limited
15 to, initial officers who shall be elected at the first meeting
16 of the Board of Directors, in accordance with the bylaws;

17 (c) provide for a system of accounting;

18 (d) adopt or amend the Authority's budget to submit
19 annually to the corporate authorities for approval and adoption
20 in a time frame mandated by the corporate authorities;

21 (e) adopt, amend, or repeal policies and procedures for
22 contracting and procurement which must be consistent with the
23 provisions set forth in the local Code;

24 (f) commission, collect, and receive data from public,
25 private, professional, and volunteer sources to compile an

1 inventory an analysis of desirable properties for acquisition;

2 (g) establish banking arrangements for the Authority
3 pursuant to Section 160 of this Act;

4 (h) organize and reorganize the executive, administrative,
5 clerical, and other departments of the Authority and fix the
6 duties, powers, and compensation of all employees, agents and
7 consultants of the Authority.

8 Section 80. Fiduciary duty. The Members of the Board of
9 Directors are under a fiduciary duty to conduct the activities
10 and affairs of the Authority in the best interests of the
11 residents of the county, township, or municipality, as
12 applicable, including the safekeeping and use of all Local
13 Government Stabilization Authority monies and assets. The
14 members of the Board of Directors shall discharge their duties
15 in good faith, with the care an ordinarily prudent person in a
16 like position would exercise under similar circumstances.

17 Section 85. Compensation. The Members of the Board of
18 Directors shall receive no compensation for the performance of
19 their duties. A Member may engage in private or public
20 employment, or in a profession or business, except to the
21 extent prohibited by Illinois law or local ordinance. The
22 Authority may reimburse members of the Board of Directors for
23 actual and necessary expenses incurred in the discharge of
24 their official duties, as provided by the Board of Directors.

1 Section 90. Executive Director. The Board of Directors
2 shall be authorized to retain the professional services of an
3 individual to perform the duties of an Executive Director on a
4 contractual basis with the advice and consent of the corporate
5 authorities. The Executive Director shall not be an employee of
6 the Authority or of the county, municipality, or township. The
7 Director shall administer the Authority in accordance with the
8 operating budget approved by the corporate authorities,
9 general policy guidelines established by the Board of
10 Directors, other applicable governmental procedures and
11 policies, and this Act.

12 The Director shall be responsible for the day-to-day
13 operations of the Authority, the control, management, and
14 oversight of the Authority's functions, and supervision of all
15 of the Authority's contractual agreements. All terms and
16 conditions of the Director's service shall be specified in a
17 written contract between the Director and the Board of
18 Directors. The Director may be removed by the corporate
19 authorities or the Board of Directors for good cause, prior to
20 the expiration of the Director's contract. Good cause includes
21 inefficiency, neglect of duty, malfeasance, or any cause which
22 renders the Director unfit or unable to perform the scope of
23 work. The Board of Directors may delegate to the Director any
24 powers or duties it considers proper, under such terms,
25 conditions and to the extent that the Board of Directors may

1 specify.

2 Section 95. Staffing services. The Board of Directors may
3 approve contracts for staffing as requested by the Executive
4 Director that are deemed necessary to carry out the duties and
5 responsibilities of the Authority and in accordance with the
6 policies and procedures established by the Board. Such staff
7 shall be retained pursuant to contracts entered into in
8 accordance with the procurement rules established by the Board.

9 Section 100. Ethics. The Board of Directors shall be
10 subject to the all State of Illinois ethics laws.

11 Section 105. Indemnification.

12 (a) The county, municipality, or township, as applicable,
13 shall defend and indemnify the Authority and the Members Board
14 of Directors with respect to all claims or judgments arising
15 out of their activities as Members with respect to all
16 negligence claims, and claims or judgments arising out of the
17 Authority's activities performed on behalf of the county,
18 municipality, or township.

19 (b) The county, municipality, or township shall not be
20 obligated to indemnify the Authority or Member for:

21 (1) Punitive damages or liability arising out of
22 conduct which is based upon willful or wanton conduct.

23 (2) Conduct which is outside of the scope of the

1 Authority's authority.

2 (3) Any settlement or judgment in which the county,
3 municipality, or township did not participate.

4 (4) The defense of any criminal or disciplinary
5 proceeding.

6 Section 110. General powers. The Authority has the power to
7 do all things necessary or convenient to implement the
8 purposes, objectives, and provisions of this Act including, but
9 not limited to, the following:

10 (a) to adopt, amend, and repeal bylaws for the regulation
11 of its affairs and the conduct of its business;

12 (b) to acquire by purchase, donation, or other transfers
13 and to hold, lease, manage, and dispose of Real Property of
14 every kind and character, or any interest therein, in
15 furtherance of the public purposes of the Authority;

16 (c) to discharge and extinguish Real Property taxes owed to
17 the county, township, municipality, or to a Party, pursuant to
18 an Agreement with such Party, that encumber Real Property owned
19 by the these entities through the Authority, as permitted by
20 the Property Tax Code or other applicable law;

21 (d) to pay any tax or special assessment due on Real
22 Property acquired or owned by the Authority;

23 (e) to acquire, accept, or retain equitable interests,
24 security interests, or other interests in any Real Property or
25 other fixtures by loan agreement, note, mortgage, deed to

1 secure debt, trust deed, security agreement, assignment,
2 pledge, conveyance, contract, lien, or other consensual
3 transfer in order to secure the repayment of any moneys loaned
4 or credit extended by the Authority;

5 (f) to borrow money from private lenders, from cities or
6 counties, from the State or from federal government funds,
7 subject to the approval of the corporate authorities, to
8 further or carry out the Authority's public purpose by
9 executing leases, trust indentures, trust agreements,
10 agreements for the sale notes, loan agreements, mortgages,
11 deeds to secure debt, trust deeds, security agreements,
12 assignments, and such other agreements or instruments as may be
13 necessary or desirable, in the judgment of the Authority, to
14 evidence and to provide security for such borrowing.

15 (g) to apply directly or indirectly to any federal, state,
16 county, or municipal government or agency or to any other
17 source, whether public or private, for loans, grants, gifts,
18 guarantees, labor, or other aid or financial assistance in
19 furtherance of the Authority's public purpose and to accept and
20 use the same upon such terms and conditions as are prescribed
21 by such federal, state, county, or municipal government or
22 agency or other source;

23 (h) to enter into agreements with the federal government or
24 any agency thereof to use the facilities or services of the
25 federal government or any agency thereof in order to further or
26 carry out the public purposes of the Authority;

1 (i) to extend credit or make loans to any Person, subject
2 to limitations established by the corporate authorities, for
3 the costs of any Authority projects, or any part of the costs
4 of any Authority projects which credit or loans may be
5 evidenced or secured by loan agreements, notes, mortgages,
6 deeds to secure debt, trust deeds, security agreements,
7 assignments, or such other instruments, or by rentals,
8 revenues, fees, or charges, upon such terms and conditions as
9 the Authority shall determine to be reasonable in connection
10 with such extension of credit or loans, including provision for
11 the establishment and maintenance of reserve funds, and, in the
12 exercise of powers granted by the corporate authorities through
13 this Act in connection with any Authority projects, the
14 Authority shall have the right and power to require the
15 inclusion in any such loan agreement, note, mortgage, deed to
16 secure debt, trust deed, security agreement, assignment, or
17 other instrument such provisions or requirements, including
18 but not limited to: guarantee any obligations, insurance,
19 construction, use, operation, maintenance, and financing and
20 such other terms and conditions, as the Authority may deem
21 necessary or desirable;

22 (j) as security for repayment of any note, or other
23 obligations of the Authority, to pledge, mortgage, convey,
24 assign, hypothecate, or otherwise encumber any property of the
25 Authority, including, but not limited to, Real Property,
26 fixtures, and revenues or other funds, and to execute any

1 lease, trust indenture, trust agreement, agreement for the sale
2 of the Authority's notes, or other obligations, loan agreement,
3 mortgage, deed to secure debt, trust deed, security agreement,
4 assignment, or other agreement or instrument as may be
5 necessary or desirable, in the judgment of the Authority, to
6 secure any such notes, or other obligations, which instruments
7 or agreements may provide for foreclosure or forced sale of any
8 Real Property of the Authority upon default in any obligation
9 of the Authority, either in payment of principal, premium, if
10 any, or interest or in the performance of any term or condition
11 contained in any such agreement or instrument;

12 (k) to receive and administer gifts, grants, and bequests
13 of money and Real Property consistent with the purpose of the
14 Authority;

15 (l) to use any Real Property or fixtures or any interest
16 therein or to rent, license or lease such Real Property to or
17 from others or make contracts with respect to the use thereof,
18 or to sell, lease, exchange, transfer, assign, pledge, or
19 otherwise dispose of or grant options for any such Real
20 Property in any manner as it deems to be in the best interests
21 of the Authority and the public purpose thereof;

22 (m) to procure insurance or guarantees from the State
23 Legislature or federal government of the payments of any debts
24 or parts thereof incurred by the Authority, and to pay premiums
25 in connection therewith;

26 (n) to procure, if required, insurance against losses in

1 connection with the Real Property, assets, or activities of the
2 Authority;

3 (o) to enter into contracts and other instruments
4 necessary, incidental, or convenient to the performance of its
5 duties and the exercise of its powers, including, but not
6 limited to, an Agreement with a Party for the joint exercise of
7 powers. An Agreement with a Party may include contracts for the
8 performance of services by a Party on behalf of the Local
9 Government Stabilization Authority or by the Authority on
10 behalf of a Party;

11 (p) to enter into partnerships, joint ventures, and other
12 collaborative relationships with municipalities and other
13 public and private entities for the ownership, management,
14 development, and disposition of Real Property;

15 (q) to enter into contracts and other instruments
16 necessary, incidental, or convenient to the performance of its
17 duties and the exercise of its powers, including, but not
18 limited to, agreements with a Party regarding the disposition
19 of Authority properties located within their boundaries;

20 (r) to finance, by loan, grant, lease, or otherwise,
21 refinance, construct, erect, assemble, purchase, acquire, own,
22 repair, remodel, rehabilitate, modify, maintain, extend,
23 improve, install, sell, equip, expand, add to, operate, or
24 manage Real Property or rights or interests in Real Property,
25 and to pay the costs of any such project from the proceeds of
26 revenue bonds, loans by persons, corporations, partnerships,

1 whether limited or general, or other entities, all of which the
2 Authority is authorized to receive, accept, and use;

3 (s) to fix, charge, and collect rents, fees, licenses and
4 charges for the use of Real Property of the Authority and for
5 services provided by the Local Government Stabilization
6 Authority;

7 (t) to grant or acquire a license, easement, lease (as
8 lessor or lessee), or option with respect to Real Property of
9 the Authority;

10 (u) to enter into contracts with nonprofit community land
11 trusts, including, but not limited to, long-term lease
12 contracts;

13 (v) to contract for goods and services and engage personnel
14 as necessary, to be paid from the funds of the Authority. The
15 Board shall determine the qualifications, duties, and
16 compensation of those it contracts with and employs;

17 (w) to organize and reorganize the executive,
18 administrative, clerical, and other departments of the Local
19 Government Stabilization Authority and to fix the duties,
20 powers, and compensation of all employees, agents, and
21 consultants of the Authority;

22 (x) to remediate environmental contamination on any Real
23 Property held by the Authority;

24 (y) to acquire, hold and manage property pursuant to this
25 Act;

26 (z) to dispose of property pursuant to this Act; and

1 (aa) to do all other things necessary or convenient to
2 achieve the objectives and purposes of the Authority or other
3 laws that relate to the purposes and responsibilities of the
4 Authority.

5 Section 115. No waiver of governmental immunity. Nothing in
6 this Act is intended, nor shall be construed, as a waiver by
7 the county, township, or municipality enacting an ordinance
8 that creates a Local Government Stabilization Authority under
9 this Act of any governmental immunity provided under any
10 applicable law.

11 Section 120. Non-discrimination. The Authority shall
12 comply with all applicable laws prohibiting discrimination.

13 Section 125. Acquisition of real property.

14 (a) The Authority may acquire real property or rights or
15 interests in real property by gift, bequest, transfer,
16 exchange, foreclosure, purchase, purchase contracts, lease
17 purchase agreements, installment sales contracts, land
18 contracts, tax sale, scavenger sale or otherwise, on terms and
19 conditions and in a manner the Authority considers proper.

20 (b) The Authority may acquire any property conveyed to it
21 by this State, a foreclosing governmental unit, a unit of local
22 government, an intergovernmental entity created under the laws
23 of this State, or any other public or private person,

1 including, but not limited to, property without clear title.

2 (c) All deeds, mortgages, contracts, leases, purchases, or
3 other agreements regarding property of the Authority,
4 including agreements to acquire or dispose of real property,
5 shall be approved by and executed by the Authority, in the name
6 of the county, municipality, or township.

7 (d) The Authority shall have the right to purchase
8 properties, in the name of the county, municipality, or
9 township, at tax sales conducted in accordance with the
10 Property Tax Code. The Authority may tender a bid at a tax sale
11 that is a credit bid, consisting of the obligation of the
12 Authority to satisfy the component parts of the bid by payments
13 to the respective political subdivisions.

14 (e) The Authority shall have the right to make offers to
15 purchase properties that are subject to a listing agreement;
16 said offer or purchase of a property by the Authority that is
17 subject to a listing agreement shall not extinguish any legal
18 rights existing under the listing agreement.

19 Section 130. Holding and managing property. The Authority
20 may control, manage, maintain, operate, repair, lease as
21 lessor, license, secure, prevent the waste or deterioration of,
22 demolish, and take all other actions necessary to preserve the
23 value of the Real Property it controls on behalf of the county,
24 township, or municipality. The Authority shall maintain all
25 such Real Property held by the Local Government Stabilization

1 Authority in accordance with applicable laws and codes. Such
2 Real Property shall be inventoried and classified by the
3 Authority according to suitability for use. The inventory shall
4 be maintained as a public record and shall be filed
5 electronically and in the principal office of the Authority.

6 Section 135. Property disposition. On terms and
7 conditions, and in a manner and for an amount of consideration
8 that the Authority considers proper, fair, and reasonable,
9 including for no monetary consideration if appropriate, the
10 Authority may convey, sell, transfer, exchange, lease as
11 lessor, or otherwise dispose of Real Property or rights or
12 interests in Real Property that the Authority controls and the
13 county, township, or municipality holds a legal interest to any
14 public or private Person. The transfer and use of property
15 under this section and the exercise by the Authority of powers
16 and duties under this Act shall be considered a necessary
17 public purpose and for the benefit of the public.

18 Section 140. Criteria for conveyance. Real Property shall
19 be conveyed by the Authority in accordance with this Act and
20 according to criteria determined in the discretion of the Board
21 and contained in the policies and procedures adopted by the
22 Board. The Board may adopt policies and procedures that set
23 forth priorities for a transferee's use of Real Property
24 conveyed by the Authority, including, but not limited to,

1 affordable housing.

2 Section 145. Transactions. Transactions shall be
3 structured in a manner that permits the Authority to enforce
4 contractual agreements, real covenants, and the provisions of
5 any subordinate financing held by the Authority pertaining to
6 development and use of the Real Property.

7 Section 150. Disposition of proceeds. Any proceeds from the
8 sale or transfer of Real Property by the Authority shall be
9 retained, expended, or transferred by the Authority as
10 determined by the Board in the best interests of the Authority
11 and in accordance with applicable laws and Agreements.

12 Section 155. Intergovernmental agreements.

13 (a) The Board of Directors may negotiate and propose
14 Agreements necessary, incidental, or convenient to the
15 performance of its duties and the exercise of its powers with
16 any unit of local government subject to the approval of the
17 corporate authorities. An Agreement may include, but is not be
18 limited to, contracts for the joint exercise of powers,
19 contracts for the ownership, management, development, and
20 disposition of Real Property, or contracts for the performance
21 of services by a local unit of government on behalf of the
22 Local Government Stabilization Authority or by the Local
23 Government Stabilization Authority on behalf of a local unit of

1 government.

2 (b) The parties to the intergovernmental agreements shall
3 agree that no party to an intergovernmental agreement shall be
4 responsible, in whole or in part, for the acts of the
5 employees, agents, and servants of any other party, whether
6 acting separately or in conjunction with the implementation of
7 an Agreement. The parties shall only be bound and obligated
8 under an Agreement as expressly agreed to by each party.

9 (c) All agreements shall in all respects be interpreted,
10 enforced, and governed under the laws of the State of Illinois
11 without regard to the doctrines of conflict of laws. The
12 language of all parts of an Agreement shall in all cases be
13 construed as a whole according to its plain and fair meaning,
14 and not construed strictly for or against any Party.

15 Section 160. Records. The Authority shall keep and maintain
16 at the principal office of the Authority all documents and
17 records of the Authority. The records of the Authority, which
18 shall be available to the public, shall include, but not be
19 limited to, a copy of this Act, a copy of the ordinance
20 creating the Authority, the Authority's bylaws, and any
21 agreements, along with any amendments thereto. The records and
22 documents shall be maintained and shall be delivered to any
23 successor entity.

24 Section 165. Financial statements and reports. The

1 Authority shall cause to be prepared, at the Authority's
2 expense, audited financial statements, including a balance
3 sheet, statement of revenue and expense, statement of cash
4 flows, and changes in fund balance, on an annual basis. This
5 financial statements shall be prepared in accordance with
6 generally accepted accounting principles and accompanied by a
7 written opinion of an independent certified public accounting
8 firm.

9 Section 170. Annual budget.

10 (a) The Authority shall prepare an annual budget in a
11 manner and under a time frame mandated by the corporate
12 authorities.

13 (b) The obligations and expenditures of the Board of
14 Directors shall conform to the any applicable local
15 appropriation ordinance, provided that the corporate
16 authorities retain the authority to impose additional
17 limitations. Any commitment, contract or other obligation
18 entered into by the Board in derogation of this Section shall
19 be voidable by the corporate authorities.

20 Section 175. Deposits and investments. The Authority shall
21 deposit funds of the Authority in a special fund to be held by
22 the Treasurer of the county, municipality, or township, to be
23 designated as the "Local Government Stabilization Authority
24 Fund" and to be expended exclusively for the operation of the

1 Authority.

2 Section 180. Disbursements. Expenditures of funds from the
3 Local Government Stabilization Authority Fund shall be in
4 accordance with guidelines established by the Board of
5 Directors.

6 Section 185. Performance objectives. Each Fiscal Year, the
7 Director, or other individual designated by the Board of
8 Directors, shall prepare, for review and approval by the Board
9 of Directors, objectives for the Authority's performance.

10 Section 190. Annual report.

11 (a) The Board of Directors shall submit to the corporate
12 authorities, within 6 months after the end of each Fiscal Year,
13 a report that shall set forth a complete and detailed operating
14 and financial statement of the Authority during such Fiscal
15 Year.

16 (b) Included in the report shall be any recommendations for
17 additional legislation or other action which may be necessary
18 to carry out the mission, purpose and intent of the Authority.

19 Section 195. Management of funds. The Director, or other
20 individual designated by the Board of Directors, shall be
21 authorized to make deposits and withdraw funds from the Local
22 Government Stabilization Authority Fund for the management of

1 sales proceeds, revenue, and other Authority funds as
2 authorized by the Board of Directors. Standard accounting
3 procedures shall be used in the management of accounts and
4 approved by the corporate authorities.

5 Section 200. Authorized expenditures. The Authority shall
6 in its sole discretion and within its budget, expend such funds
7 as necessary to carry out the powers, duties, functions, and
8 responsibilities of a Local Government Stabilization Authority
9 under this Act.

10 Section 205. Dissolution of assets. Upon determining that
11 the purposes of the Authority have been completed and that
12 there is no longer a need for the Authority's continued
13 existence, the corporate authorities may repeal the enacting
14 ordinance and dissolve the Authority, provided, however, that
15 the effective date of any such repeal shall provide sufficient
16 time for the Authority to carry out the provisions set forth in
17 Section 190.

18 As soon as possible after notice of the repeal of this Act
19 or the repeal of a local enacting ordinance, the Authority
20 shall finish its affairs as follows:

21 (a) all of the Authority's debts, liabilities, and
22 obligations to its creditors and all expenses incurred in
23 connection with the termination of the Authority and
24 distribution of its assets shall be paid first; and

1 (b) the remaining Real Property and personal property owned
2 by the Authority, if any, shall be distributed to any successor
3 entity, subject to approval by the corporate authorities. In
4 the event that no successor entity exists, the remaining Real
5 Property and personal property, and other assets of the
6 Authority, shall become assets of the corporate authorities,
7 unless provided otherwise in any applicable agreements.

8 Section 210. Interpretation. All powers granted to the
9 Local Government Stabilization Authority under this Act shall
10 be interpreted broadly to effectuate the intent and purposes of
11 this Act and not to serve as a limitation of powers.

12 Section 215. Severability. The invalidity of any clause,
13 sentence, paragraph, subdivision, section, or portion thereof,
14 shall not affect the validity of the remaining provisions of
15 this Act.

16 Section 999. Effective date. This Act takes effect upon
17 becoming law.