

1 AN ACT in relation to the Metro-East Sports Facilities
2 Authority.

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

5 Section 1. Short title. This Act may be cited as the
6 Metro-East Sports Facilities Authority Act.

7 Section 5. Definitions. In this Act:

8 "Authority" means the Metro-East Sports Facilities
9 Authority.

10 "Facility" means any of the following:

11 (1) Stadiums, arenas, or other structures for the
12 holding of athletic contests or events, including
13 baseball, football, and automobile racing; musical,
14 dramatic, and other artistic, or social events.

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

17 "Facility" also means the following types of property if
18 that property is directly related to an item listed in
19 paragraphs (1) or (2) of this definition:

20 (i) Offices, parking lots and garages, access
21 roads, transportation facilities, restaurants, and
22 stores.

23 (ii) Other recreation areas.

24 (iii) Other property or structures, including
25 all fixtures, furnishings, and appurtenances
26 normally associated with such facilities.

27 "Loan agreement" means a legally binding contract between
28 the Authority and an owner of a facility, pursuant to which
29 the Authority agrees to make loans to the owner for the
30 purpose of (i) constructing, acquiring, operating, repairing,
31 rehabilitating, or managing a facility and the site on which

1 a facility is or is to be located, which facility or site
2 must be located in Madison or St. Clair County, and (ii)
3 infrastructure improvements related to the facility.

4 Section 10. Legislative finding and declaration. The
5 General Assembly finds that as a result of deteriorating
6 infrastructure and sports facilities in the metropolitan area
7 including and surrounding Madison and St. Clair counties,
8 there is a shortage of sports facilities suitable for use by
9 professional sports teams and other musical, theatrical, and
10 other social organizations.

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

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

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

28 Section 15. Authority and Board created.

29 (a) The Metro-East Sports Facilities Authority is
30 created as a political subdivision, unit of local government,
31 body politic, and municipal corporation.

32 (b) The governing and administrative powers of the

1 Authority shall be vested in a body known as the Metro-East
2 Sports Facilities Authority Board. The Board shall consist
3 of 8 members:

4 (1) A Chair, who shall be appointed by the Governor
5 subject to the approval of the Chair of the Madison
6 County Board and the Chair of the St. Clair County Board.

7 (2) Three additional members appointed by the
8 Governor.

9 (3) Two members appointed by the Chair of the
10 Madison County Board.

11 (4) Two members appointed by the Chair of the St.
12 Clair County Board.

13 All appointments under subdivisions (b)(1) and (b)(2)
14 shall be subject to the advice and consent of the Senate,
15 except in the case of temporary appointments as provided in
16 Section 20. No member shall be employed by the State or any
17 political subdivision of the State or by any department or
18 agency of the State or any political subdivision of the
19 State.

20 Section 20. Terms of appointments.

21 (a) On the effective date of this Act:

22 (1) The Governor shall appoint the Chair for an
23 initial term expiring July 1, 2004, and 3 other members
24 of the Board for initial terms expiring July 1 of the
25 years 2002, 2003, and 2004, respectively.

26 (2) The Chair of the Madison County Board shall
27 appoint 2 members of the Board for initial terms expiring
28 July 1 of the years 2002 and 2003, respectively.

29 (3) The Chair of the St. Clair County Board shall
30 appoint 2 members of the Board for initial terms expiring
31 July 1 of the years 2002 and 2003, respectively.

32 (b) At the expiration of the term of any member
33 appointed by the Governor under subdivision (b)(1) or (b)(2)

1 of Section 15, the Governor shall appoint the member's
2 successor in the same manner as appointments for the initial
3 term. At the expiration of the term of any member appointed
4 by the Chair of the Madison County Board or the Chair of the
5 St. Clair County Board, the appointing Chair shall appoint
6 the member's successor in the same manner as appointments for
7 the initial terms. All successors shall hold office for a
8 term of 3 years from the first day of July of the year in
9 which they are appointed, except in the case of an
10 appointment to fill a vacancy. Each member, including the
11 Chair, shall hold office until the expiration of the member's
12 term and until the member's successor is appointed and
13 qualified. Nothing shall preclude a member or a Chair from
14 serving consecutive terms.

15 (c) Vacancies for members and for the Chair shall be
16 filled in the same manner as original appointments for the
17 balance of the unexpired term.

18 Section 25. Actions of the Authority.

19 (a) Five members of the Authority constitute a quorum
20 for the purpose of conducting business. Actions of the
21 Authority must receive the affirmative vote of at least 5
22 members. The Authority shall determine the times and places
23 of its meetings. The members of the Authority shall serve
24 without compensation for service as a member but are entitled
25 to reimbursement of reasonable expenses incurred in the
26 performance of their official duties.

27 (b) The Authority shall annually elect a secretary and a
28 treasurer.

29 (c) An executive committee made up of 4 members,
30 comprised of the Chair, one other member who was appointed by
31 the Governor under subdivision (b)(2) of Section 15, one
32 member who was appointed by the Chair of the Madison County
33 Board, and one member who was appointed by the Chair of the

1 St. Clair County Board have the authority to operate the
2 Authority on a day-to-day basis, with the powers and duties
3 determined by the bylaws of the Authority.

4 Section 30. Executive Director. The Authority shall
5 appoint an Executive Director, who is the chief executive
6 officer of the Authority. In addition to any other duties
7 set forth in this Act, the Executive Director shall do the
8 following:

9 (1) Direct and supervise the administrative affairs
10 and activities of the Authority, in accordance with its
11 rules, regulations, and policies.

12 (2) Attend meetings of the Authority.

13 (3) Keep minutes of all proceedings of the
14 Authority.

15 (4) Approve all accounts for salaries, per diem
16 payments, and allowable expenses of the Authority and its
17 employees and consultants and approve all expenses
18 incidental to the operation of the Authority.

19 (5) Report and make recommendations to the
20 Authority on the merits and status of any proposed
21 facility.

22 (6) Perform any other duty that the Authority
23 requires for carrying out the provisions of this Act.

24 Section 35. Powers.

25 (a) In addition to the powers set forth elsewhere in
26 this Act, the Authority may do the following:

27 (1) Adopt and alter an official seal.

28 (2) Sue and be sued, plead and be impleaded, all in
29 its own name, and agree to binding arbitration of any
30 dispute to which it is a party.

31 (3) Adopt bylaws, rules, and regulations to carry
32 out the provisions of this Act.

1 (4) Maintain an office or offices at the place the
2 Authority may designate.

3 (5) Employ, either as regular employees or
4 independent contractors, consultants, engineers,
5 architects, accountants, attorneys, financial experts,
6 construction experts and personnel, superintendents,
7 managers and other professional personnel, and such other
8 personnel as may be necessary in the judgment of the
9 Authority, and fix their compensation.

10 (6) Acquire, hold, lease, use, encumber, transfer,
11 or dispose of real and personal property, including the
12 alteration of or demolition of improvements to real
13 estate.

14 (7) Enter into contracts of any kind.

15 (8) Enter into one or more loan agreements with an
16 owner of a facility that conform to the requirements of
17 this Act and that may contain provisions as the Authority
18 shall determine, including, without limit: (i) provisions
19 granting the owner the right and option to extend the
20 term of the loan agreement; (ii) provisions creating an
21 assignment and pledge by the Authority of certain of the
22 Authority's revenues and receipts to be received under
23 this Act for the benefit of the owner of the facility as
24 further security for performance by the Authority of its
25 obligations under the loan agreement; and (iii)
26 provisions requiring the establishment of reserves by the
27 Authority or by the owner, or both, as further security
28 for the performance of their respective obligations under
29 the loan agreement.

30 (9) Borrow money from any source for any corporate
31 purpose, including working capital for its operations,
32 reserve funds, or interest, and to mortgage, pledge or
33 otherwise encumber the property or funds of the Authority
34 and to contract with or engage the services of any person

1 in connection with any financing, including financial
2 institutions, issuers of letters of credit, or insurers
3 and enter into reimbursement agreements with this person
4 which may be secured as if money were borrowed from the
5 person.

6 (10) Receive and accept from any private or public
7 source, contributions, gifts, or grants of money or
8 property.

9 (11) Make loans from proceeds or funds otherwise
10 available to the extent necessary or appropriate to
11 accomplish the purposes of the Authority.

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

17 (13) Provide relocation assistance and compensation
18 for landowners and tenants displaced by any land
19 acquisition by the owner who has entered into a loan
20 agreement, including the acquisition of land and
21 construction of replacement housing on that land as the
22 Authority shall determine.

23 (14) Exercise all the corporate powers granted
24 Illinois corporations under the Business Corporation Act
25 of 1983, except to the extent that powers are
26 inconsistent with those of a body politic and corporate
27 of the State.

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

30 (b) The Authority may adopt rules pursuant to the
31 Illinois Administrative Procedure Act as are necessary to
32 carry out those powers and duties conferred by this Act. The
33 Authority may initially adopt, by January 1, 2002, such rules
34 as emergency rules in accordance with the provisions of

1 Section 5-45 of the Illinois Administrative Procedure Act.
2 For purposes of the Illinois Administrative Procedure Act,
3 the adoption of the initial rules shall be deemed to be an
4 emergency and necessary for the public interest, safety, and
5 welfare.

6 Section 40. Duties.

7 (a) In addition to the powers set forth elsewhere in
8 this Act, subject to the terms of any agreements with the
9 holders of the Authority's evidences of indebtedness, the
10 Authority shall do the following:

11 (1) Comply with all zoning, building, and land use
12 controls of the municipality within which it owns any
13 property.

14 (2) Enter into a loan agreement with an owner of a
15 facility to finance the acquisition, construction,
16 maintenance, or rehabilitation of the facility. The
17 agreement shall contain appropriate and reasonable
18 provisions with respect to termination, default, and
19 legal remedies. The loan may be at below-market interest
20 rates.

21 (3) Create and maintain a financial reserve for
22 repair and replacement of capital assets.

23 (b) In a loan agreement for the construction of a new
24 facility, in connection with prequalification of general
25 contractors for construction of the facility, the Authority
26 shall require that the owner of the facility require
27 submission of a commitment detailing how the general
28 contractor will expend 25% or more of the dollar value of the
29 general contract with one or more minority business
30 enterprises and 5% or more of the dollar value with one or
31 more female business enterprises. This commitment may be met
32 by contractor's status as a minority business enterprise or
33 female business enterprise, by a joint venture, or by

1 subcontracting a portion of the work with or by purchasing
2 materials for the work from one or more such enterprises, or
3 by any combination thereof. Any contract with the general
4 contractor for construction of the new facility shall require
5 the general contractor to meet the foregoing obligations and
6 shall require monthly reporting to the Authority with respect
7 to the status of the implementation of the contractor's
8 affirmative action plan and compliance with that plan. This
9 report shall be filed with the General Assembly. The
10 Authority shall require that the facility owner establish and
11 maintain an affirmative action program designed to promote
12 equal employment opportunity and that specifies the goals and
13 methods for increasing participation by minorities and women
14 in a representative mix of job classifications required to
15 perform the respective contracts. The Authority shall file a
16 report before March 1 of each year with the General Assembly
17 detailing its implementation of this subsection. The terms
18 "minority business enterprise" and "female business
19 enterprise" have the meanings provided in the Business
20 Enterprise for Minorities, Females, and Persons with
21 Disabilities Act.

22 Section 45. Reporting. Promptly following entering into a
23 loan agreement involving a new facility or facility site, the
24 Authority shall submit a detailed written report and findings
25 of the Authority with respect to the proposed loan agreement
26 to the General Assembly. The report and findings of the
27 Authority shall include the following:

28 (1) A detailed plan of the method of funding the
29 loan agreement.

30 (2) An evaluation of the economic consequences of
31 the proposed loan agreement.

32 (3) An analysis of the reasons for acquiring a site
33 for constructing a new facility.

1 Section 50. Territory. The territory of the Authority is
2 coterminous with the boundaries of the counties of Madison
3 and St. Clair.

4 Section 55. Acquisition of property. The Authority may
5 acquire in its own name, by gift or purchase, any real or
6 personal property, or interests in real or personal property,
7 necessary or convenient to carry out its corporate purposes.

8 Section 60. Tax exemption. The Authority shall not be
9 required to pay property taxes on any property it owns.
10 During the term of a loan agreement made under this Act, the
11 owner of a facility that is the subject of the agreement
12 shall not be required to pay property taxes on the facility
13 or facility site.

14 Section 65. Conflicts of interest; generally.

15 (a) No members or employees of the Authority shall be
16 employed by, be an officer or director of, or have any
17 ownership interest in any corporation or entity that is a
18 party to a loan agreement with the Authority under this Act.

19 (b) No moneys of the Authority shall be deposited in any
20 financial institution in which any officer, director, or
21 holder of a substantial proprietary interest is also a member
22 or employee of the Authority.

23 (c) No real estate to which a member or employee of the
24 Authority holds legal title or in which such a person has any
25 beneficial interest, including any interest in a land trust,
26 shall be purchased by the Authority, nor shall any such
27 property be purchased by a corporation or entity for a
28 facility to be financed under this Act. Every member and
29 employee of the Authority shall file annually with the
30 Authority a record of all real estate in this State to which
31 the person holds legal title or in which the person has any

1 beneficial interest, including any interest in a land trust.
2 In the event it is later disclosed that the Authority or
3 other entity has purchased real estate in which a member or
4 employee had an interest, the purchase shall be voidable by
5 the Authority and the member or employee involved shall be
6 disqualified from membership in or employment by the
7 Authority.

8 Section 70. Conflicts of interest; contracts.

9 (a) No member of the Authority or officer, agent, or
10 employee of the Authority shall, in his or her own name or in
11 the name of a nominee, be an officer or director of or hold
12 an ownership interest of more than 7.5% in any person,
13 association, trust, corporation, partnership, or other entity
14 that is, in its own name or in the name of a nominee, a party
15 to a contract or agreement upon which the member or officer,
16 agent, or employee may be called upon to act or vote.

17 (b) With respect to any direct or any indirect interest,
18 other than an interest prohibited in subsection (a), in a
19 contract or agreement upon which the member or officer,
20 agent, or employee may be called upon to act or vote, a
21 member of the Authority or officer, agent, or employee of the
22 Authority shall disclose the same to the secretary of the
23 Authority before the taking of final action by the Authority
24 concerning the contract or agreement and shall so disclose
25 the nature and extent of such interest and his or her
26 acquisition thereof, which disclosures shall be publicly
27 acknowledged by the Authority and entered upon the minutes of
28 the Authority. If a member of the Authority or officer,
29 agent, or employee of the Authority holds such an interest,
30 then he or she shall refrain from any further official
31 involvement in regard to the contract or agreement, from
32 voting on any matter pertaining to the contract or agreement,
33 and from communicating with other members of the Authority or

1 its officers, agents, and employees concerning the contract
2 or agreement. Notwithstanding any other provision of law, any
3 contract or agreement entered into in conformity with this
4 subsection (b) shall not be void or invalid by reason of the
5 interest described in this subsection, nor shall any person
6 so disclosing the interest and refraining from further
7 official involvement as provided in this subsection be guilty
8 of an offense, be removed from office, or be subject to any
9 other penalty on account of such interest.

10 (c) Any contract or agreement made in violation of
11 subsection (a) or (b) of this Section shall be null and void
12 and give rise to no action against the Authority.

13 Section 75. Records and reports of the Authority. The
14 secretary shall keep a record of the proceedings of the
15 Authority. The treasurer of the Authority shall be custodian
16 of all Authority funds and shall be bonded in the amount the
17 other members of the Authority may designate. The accounts
18 and books of the Authority shall be set up and maintained in
19 a manner approved by the Auditor General, and the Authority
20 shall file with the Auditor General a certified annual report
21 within 120 days after the close of its fiscal year. The
22 Authority shall also file with the Governor, the Secretary of
23 the Senate, the Clerk of the House of Representatives, the
24 Chair of the St. Clair County Board, the Chair of the Madison
25 County Board, and the Illinois Economic and Fiscal
26 Commission, by March 1 of each year, a written report
27 covering its activities for the previous fiscal year. So
28 filed, the report shall be a public record and open for
29 inspection at the offices of the Authority during normal
30 business hours.

31 Section 80. Tax prohibited. The Authority may not impose
32 any occupation or other tax.

1 Section 85. No impairment of loan agreement. The State
2 of Illinois pledges to and agrees with any facility owner
3 under any loan agreement entered into by the Authority with
4 respect to a facility that the State will not limit or alter
5 the rights and powers vested in the Authority by this Act so
6 as to impair the terms of any the loan agreement or in any
7 way impair the rights and remedies of the owner so long as
8 the owner is not in default under the loan agreement. In
9 addition, the State pledges to and agrees with the owner that
10 the State will not limit the basis on which State funds are
11 to be allocated, deposited, and paid to the Authority, or the
12 use of those funds, so as to impair the terms of any such
13 loan agreement. The Authority is authorized to include this
14 pledge and agreement of the State in the loan agreement.

15 Section 90. Volume cap. Notwithstanding any other
16 provision of law, the Governor may allocate any volume cap
17 available to the State or any of its agencies under the
18 Internal Revenue Code of 1986, including any amounts carried
19 forward by the State or any of its agencies with respect to
20 stadiums, to the Metro-East Sports Facilities Authority, and
21 the Authority may carry forward any amount allocated to it by
22 the Governor or by any home rule unit.

23 Section 95. Abolition of Authority. If the Authority has
24 not entered into a loan agreement, pursuant to Section 40 of
25 this Act, with or on behalf of a major league professional
26 baseball franchise before one year following the effective
27 date of this Act, the Authority shall be abolished upon the
28 expiration of that one-year period.

29 Section 999. Effective date. This Act takes effect upon
30 becoming law.