

CHAPTER 8

COMMUNITY AND ECONOMIC DEVELOPMENT

PART 1
INDUSTRIAL REVENUE BONDS

SECTION 8-101.	VILLAGE POLICY.
SECTION 8-102.	DEFINITIONS.
SECTION 8-103.	APPLICATION PROCESS & REQUIREMENTS.
SECTION 8-104.	SALE OF BONDS.
SECTION 8-105.	APPROVAL FOR BOND ISSUE.
SECTION 8-106.	ATTORNEY REVIEW.
SECTION 8-107.	PROFESSIONAL REVIEW PROCESS.
SECTION 8-108.	PREVAILING WAGE RATE.
SECTION 8-109.	INSURANCE REQUIRED.
SECTION 8-110.	HOLD HARMLESS AGREEMENT.
SECTION 8-111.	DENIAL OF APPLICATION.
SECTION 8-112.	PROJECT DISCLOSURE.
SECTION 8-113.	APPLICATION FEE.
SECTION 8-114.	VILLAGE REVIEW PROCESS.
SECTION 8-115.	PRESENTATION OF PROJECT.

SECTION 8-101. VILLAGE POLICY.

It is declared to be the public policy of the Village to favorably consider the issuance of industrial revenue bonds to qualified industries whose project proposals meet the requirements of these guidelines, applicable ordinances of the Village, relevant federal and state statutes and regulations and the state constitution. In reaching a decision with respect to whether a particular project qualifies for assistance hereunder and whether or not to authorize tax exempt financing for a project, the Board of Trustees, whose determination shall be conclusive, will duly consider and evaluate each project proposal in light of guidelines and criteria established in this section.

SECTION 8-102. DEFINITIONS.

Except as otherwise defined herein, the following terms when used in this section shall have the following meanings:

(A) Cost shall mean and include the sum total of all reasonable or necessary costs incidental to a project, including, but not limited to, and without limitation, the following: Real property; studies and surveys; plans and specifications; architectural and engineering services; underwriting fees; legal, accounting, marketing, and other special services relating to a project or incurred in connection with the issuance and sale of bonds, necessary application and other fees to federal, state and local governmental agencies for any requisite approvals for construction, for assisted financing or otherwise; and all other necessary and incidental expenses, including

trustee and rating agency fees and an initial bond and interest reserve together with interest on bonds issued to finance a project to a date six months subsequent to the estimated date of completion; and premiums with respect to insurance with respect to bonds; and such other expenses as the Village shall deem appropriate.

(B) Project or project proposal shall mean any:

1. Capital project, including one or more buildings and other structures, improvements, machinery and equipment whether or not on the same site or sites now existing or hereafter acquired, suitable for use by any manufacturing, industrial, research or commercial enterprise, including, but not limited to, use as a factory, mill, processing plant, assembly plant, packaging plant, fabricating plant, office building, industrial distribution center, warehouse, repair, overhaul or service facility, freight terminal, research facility, test facility, commercial facility, and including also the sites thereof and other rights in land therefor whether improved or unimproved, site preparation and landscaping, and all appurtenances and facilities incidental thereto such as utilities, access roads, railroad sidings, truck docking and similar facilities, parking facilities, dockage, wharfage, and other improvements necessary or convenient thereto or;
2. Any land, buildings, machinery or equipment comprising an addition to, or renovation, rehabilitation or improvement of any existing capital project.

SECTION 8-103. APPLICATION PROCESS AND REQUIREMENTS.

Prior to submitting a formal application to the Village, potential applicants shall contact the Village for a preliminary project review and an explanation of application procedures. Upon a potential applicant's determination that a formal application is desired to be submitted, a complete application form shall be tendered to the Village, which shall be addressed to the Village Board President and contain a complete and thorough analysis of the particular industrial or commercial purpose including, *inter alia*, the following information:

- (A) A statement defining the project, showing its achievement of stated public policy objectives and specifically indicating the number of jobs created, yearly anticipated payroll, increases in sales and property taxes to the Village and any other specific data more fully explaining the achievement of public policy objectives;
- (B) A detailed cost breakdown of all elements of anticipated costs (not just a general statement of total anticipated costs);
- (C) Balance sheets and income statements pertaining to the applicant entity for the past three (3) years (if the applicant entity is a corporation, said financial statement shall be prepared by a certified public accountant);
- (D) The name of the person that will purchase the bonds (if known purchasers are available);
- (E) A SEC-10-K report in the event that the applicant entity is a corporation required to file such a report;
- (F) The name and address of two (2) commercial bankers who may be contacted and used for reference purposes;
- (G) A list of all officers, directors and principals, including their biographies and personal financial statements if the particular project proposes that bonds will be guaranteed by them;
- (H) Complete architectural design and construction documents sufficient to enable the Village to evaluate a proposed building, rebuilding or remodeling or improvement thereby proposed;
- (I) An underwriter's or institutional investor's letter as to proposed interest rates and possibility of placement;
- (J) All documents identifying the legal description of the property and a full abstract, owner's title policy or preliminary title report;

- (K) A written commitment from proposed purchasers of the bonds to the effect that any of the bonds be purchased and stating the terms of such purchase (the applicant must have arrangements made or proposed for private placement of the bonds);
- (L) A letter guaranteeing to pay all the costs of the Village, its agents and employees, whether or not the issue is approved.
- (M) A schedule and timetable of planned construction, rebuilding or remodeling; and
- (N) Any other information, documents, assurances, security, or agreements as required by the Board of Trustees.

SECTION 8-104. SALE OF BONDS.

The Board of Trustees will issue such revenue bonds only where the bonds are to be sold at public or private sale, in such manner and upon such terms, as may be determined by the Board of Trustees.

SECTION 8-105. APPROVAL FOR BOND ISSUE.

In addition to normal zoning, building and Village code requirements, the Board of Trustees reserves the right of final approval or disapproval of plans and specifications for purposes of issuing bonds hereunder. For example, the Village will not utilize its bond powers to build buildings that aesthetically are not pleasing, even though such construction might satisfy other requirements. Also, each project, its plans and specifications, must be consistent with the Village's community plan.

SECTION 8-106. ATTORNEY REVIEW.

Prior to approaching the Board of Trustees any proposal will have to be reviewed by the Village Attorney and/or the Village's bond consultant. The board will not proceed and will not adopt any preliminary resolutions until their respective reports, even if preliminary in form, are received. The applicant must indicate the name, address, telephone number and individual to contact at the office of bond counsel desired to be retained by the applicant if other than the Village's normal bond counsel; however, the Village reserves the right to reject the applicant's choice of bond counsel.

SECTION 8-107. PROFESSIONAL REVIEW PROCESS.

The Village reserves the right, subject to the applicant's approval, to employ legal, accounting, appraisal, financial, engineering, architectural and other consultants to review the proposed project and its financing, and the costs thereof as defined above, together with the administrative expenses, to be paid by the applicant, whether or not a particular project is completed and funded hereunder. The Village reserves the right to require additional cash deposits sufficient to cover such consulting costs. Any unexpected balance of such deposit shall be returned to the applicant if the project is aborted for any reason: and, if the project is approved, the Village will allow such expenses to be paid or reimbursed as part of the project cost financed.

SECTION 8-108. PREVAILING WAGE RATE.

The applicant shall be required to comply with the stipulation that not less than the prevailing rate of wages as determined by the pertinent provisions of "An Act regulating wages of laborers, mechanics, and other workers employed in any public works by the State, county, city or any public body or any political subdivision or by any one under contract for public works", [Ill. Rev. Stat. Ch. 48, para. 39s-1 et seq.] as amended, shall be paid to all laborers, mechanics and other workers performing work on any community improvement project authorized by any bond or ordinances.

SECTION 8-109. INSURANCE REQUIRED.

Applicants shall provide and maintain at all times adequate workmen's compensation, liability, fire and other related necessary types of insurance coverage relating to the project in amounts and in form satisfactory to the Village.

SECTION 8-110. HOLD HARMLESS AGREEMENT.

The applicant and, if underwriters are involved in the issuance and sale of such tax exempt obligations, the underwriters shall hold harmless the Village, its officers, employees, consultants, and agents for any alleged or actual violation of any securities laws, state or federal, in connection with the issuance of bonds or loans for the project. The Village may require a bond or appropriate insurance to assure compliance with this section.

SECTION 8-111. DENIAL OF APPLICATION.

The Village reserves the right to deny any application for any reason and to revoke approval of an application at any time before actual issuance of bonds or making of the loan without liability of the Village, its Board members, officers, or agents to the

applicant, the underwriter, attorneys or other counsel associated with the project.

SECTION 8-112. PROJECT DISCLOSURE.

All applicants will name the real parties in interest in the project including the principal stockholders if a corporation or if a partnership, the general partners and a copy of the partnership agreement must be submitted as well.

SECTION 8-113. APPLICATION FEE.

Any application shall be accompanied with a fee of three thousand dollars (\$3,000.00), be used to defray eligible application costs. If the application is withdrawn any unexpended funds will be returned.

SECTION 8-114. VILLAGE REVIEW PROCESS.

Before the Village issues industrial revenue bonds, pursuant to any application or petition, the President and Board of Trustees will require the following statements from various agents and employees and commissions of the Village:

- (A) A statement from the Village Attorney or corporation counsel, as the case may be, to the effect that he has reviewed or will review all documents pertinent to the application and bond issue and that they are satisfactory to the Village.
- (B) A statement from the Village's financial consultant, or bond counsel, as the case may be, to the effect that based upon the consultant's study of the information supplied and from other available sources, nothing has come to his attention to indicate:
 1. The applicant is not in a position to undertake its commitment; or
 2. It is inadvisable for the Village to lend its name to the proposed project even though it does not thereby undertake any financial obligations.
 3. The chairman of the Village Plan Commission to the effect that the industry and proposal is in compliance with the Village's community plan that the industry would be an asset to the Village.
 4. A statement from the Village's auditor to the effect that suitable arrangements have been made for the payment of all fees, costs, and expenses incurred in behalf of the Village.

SECTION 8-115. PRESENTATION OF PROJECT.

The President and Board of Trustees reserve the right to have the applicant appear before them to explain the proposed development and to answer any questions that may be deemed to be in the public interest. Upon completion of all steps, conditions and requirements of this section, the President and Board of Trustees shall consider approval of the industrial bond issue.