

IC 36-7.6-2

Chapter 2. Development Authority and Board

IC 36-7.6-2-1

Establishment of development authorities

Sec. 1. (a) Development authorities may be established under this chapter in the economic growth regions of Indiana.

(b) The provisions of section 3 of this chapter govern the establishment of a development authority.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-2

Body corporate and politic; development authority activities

Sec. 2. A development authority established under this chapter is a separate body corporate and politic that shall carry out the purposes of this article by:

- (1) acquiring, constructing, equipping, owning, leasing, and financing projects and facilities for lease to or for the benefit of eligible political subdivisions under this article; and
- (2) funding and developing:
 - (A) airport authority projects;
 - (B) commuter transportation district and other rail projects and services;
 - (C) regional transportation authority projects and services;
 - (D) economic development projects;
 - (E) intermodal transportation projects; and
 - (F) regional trail or greenway projects;that are of regional importance.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-3

Units that may establish a development authority; contiguity requirements

Sec. 3. (a) Subject to the provisions of this article, regional development authorities may be established under subsection (b), (c), or (d).

(b) A development authority may be established by two (2) or more counties that are located in the same economic growth region.

(c) A development authority may be established by:

- (1) two (2) or more counties that are located in the same economic growth region; and
- (2) one (1) or more counties that:
 - (A) are not located in the same economic growth region as the counties described in subdivision (1); and
 - (B) are adjacent to the economic growth region containing the counties described in subdivision (1).

(d) A development authority may be established by:

- (1) one (1) or more counties; and
- (2) one (1) or more second class cities that:
 - (A) are not located in the county or counties described in

subdivision (1); and

(B) are located in the same economic growth region as the county or counties described in subdivision (1).

(e) A county or second class city may participate in the establishment of a development authority under this section and become a member of the development authority only if the fiscal body of the county or second class city adopts an ordinance authorizing the county or second class city to participate in the establishment of the development authority.

(f) A county may be a member of a development authority only if the county is contiguous to at least one (1) other county that is a member of the development authority. A second class city may be a member of a development authority only if the county in which the second class city is located is contiguous to at least one (1) other county that is a member of the development authority.

(g) Notwithstanding any other provision, if a county becomes a member of a development authority, each municipality in the county also becomes a member of the development authority.

(h) Not more than two (2) development authorities may be established in a particular economic growth region. For purposes of this subsection, a development authority is considered to be established in a particular economic growth region if a county or municipality located in the economic growth region is a member of a development authority.

(i) A county or municipality may be a member of only one (1) development authority.

(j) A county or municipality that is a member of the northwest Indiana regional development authority under IC 36-7.5 may not be a member of a development authority under this article.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-4

Joining an existing development authority

Sec. 4. (a) A county or second class city that:

(1) is not a member of a development authority; and

(2) was eligible to participate in the establishment of a particular development authority established under this article; may join that development authority under this section.

(b) A county or second class city described in subsection (a) may join a development authority under this section only if:

(1) the fiscal body of the county or second class city adopts an ordinance authorizing the county or second class city to become a member of the development authority; and

(2) after the fiscal body adopts an ordinance under subdivision (1), the development board of the development authority adopts a resolution authorizing the county or second class city to become a member of the development authority.

(c) A county or second class city becomes a member of a development authority on January 1 of the year following the year in which the development board adopts a resolution under subsection

(b)(2) authorizing the county or second class city to become a member of the development authority.

(d) The executive of a county or second class city that becomes a member of a development authority under this section is entitled to appoint a member to the development board under section 7 of this chapter.

(e) A county or second class city may not join a development authority under this section if joining the development authority would violate the requirement in section 3(h) of this chapter that not more than two (2) development authorities may be established in a particular economic growth region.

(f) If a county joins a development authority under this section, each municipality in the county also becomes a member of the development authority.

As added by P.L.232-2007, SEC.7. Amended by P.L.3-2008, SEC.265.

IC 36-7.6-2-5

Minimum length of participation; withdrawal

Sec. 5. (a) This section applies to the following:

(1) A county that participates in the establishment of a development authority under section 3 of this chapter or that joins a development authority under section 4 of this chapter.

(2) A second class city that participates in the establishment of a development authority under section 3(d) of this chapter or that joins a development authority under section 4 of this chapter.

(b) A county or second class city described in subsection (a) shall be a member of the development authority for five (5) years after the date the county or second class city becomes a member of the development authority.

(c) At least twelve (12) months and not more than eighteen (18) months before the end of a five (5) year period under subsection (b), the fiscal body of the county or second class city described in subsection (a) must adopt a resolution that:

(1) commits the county or second class city to an additional five (5) years as a member of the development authority, beginning at the end of the current five (5) year period; or

(2) withdraws the county or second class city from membership in the development authority not earlier than the end of the current five (5) year period.

(d) The fiscal body of a county or second class city described in subsection (a) must adopt a resolution under subsection (c) during each five (5) year period in which the county or second class city is a member of the development authority.

(e) A county or second class city described in subsection (a) may withdraw from a development authority as provided in this section without the approval of the development board.

(f) If at the end of a five (5) year period a county described in subsection (a) does not withdraw from the development authority

under this section and remains a member of the development authority, the municipalities in the county may not withdraw from the development authority and remain members of the development authority.

(g) If at the end of a five (5) year period a county described in subsection (a) withdraws from the development authority under this section, the municipalities in the county are also withdrawn from the development authority on the effective date of the county's withdrawal.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-6

Liability for unpaid transfers after withdrawal

Sec. 6. A county or municipality that withdraws from a development authority under section 5 of this chapter is liable to the development authority for any unpaid transfers under IC 36-7.6-4-2 that become due before the withdrawal of the county or municipality from the development authority is effective.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-7

Development board; members

Sec. 7. (a) A development authority is governed by a development board appointed under this section.

(b) A development board is composed of the following members:

(1) One (1) member appointed by the executive of each county that is a member of the development authority.

(2) One (1) member appointed by the executive of each second class city that is a member of the development authority.

(3) If the development authority receives or will receive an appropriation, a grant, or a distribution of money from the state, one (1) or more members appointed by the governor under section 8 of this chapter, if approved by the development board.

(c) A member appointed to the development board must have knowledge of and at least five (5) years professional work experience in at least one (1) of the following:

(1) Rail transportation or air transportation.

(2) Regional economic development.

(3) Business or finance.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-8

Addition of member appointed by the governor

Sec. 8. (a) If a development authority receives or will receive an appropriation, a grant, or a distribution of money from the state, the development board may adopt a resolution to add to the development board one (1) or more members appointed by the governor.

(b) If a development board adopts a resolution under this section, the governor shall appoint to the development board the number of members specified in the resolution.

(c) A member appointed by the governor under this section must meet the knowledge and professional work experience requirements of section 7(c) of this chapter.

(d) If the governor appoints a member to a development board under this section, the governor retains the authority to appoint a member to the development board regardless of whether the state continues to appropriate, grant, or distribute money to the development authority.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-9

Terms; reappointment; oath; per diem

Sec. 9. (a) A member appointed to a development board serves a four (4) year term. However, a member serves at the pleasure of the appointing authority. A member may be reappointed to subsequent terms.

(b) If a vacancy occurs on a development board, the appointing authority that made the initial appointment shall fill the vacancy by appointing a new member for the remainder of the vacated term.

(c) Each member appointed to a development board, before entering upon the duties of office, must take and subscribe an oath of office under IC 5-4-1, which shall be endorsed upon the certificate of appointment and filed with the records of the development board.

(d) A member appointed to a development board is not entitled to receive any compensation for performance of the member's duties. However, a member is entitled to a per diem from the development authority for the member's participation in development board meetings. The amount of the per diem is equal to the amount of the per diem provided under IC 4-10-11-2.1(b).

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-10

Officers

Sec. 10. (a) In January of each year, a development board shall hold an organizational meeting at which the development board shall elect the following officers from the members of the development board:

- (1) A chair.
- (2) A vice chair.
- (3) A secretary-treasurer.

(b) The affirmative vote of at least a majority of the appointed members of a development board is necessary to elect an officer under subsection (a).

(c) An officer elected under subsection (a) serves from the date of the officer's election until the officer's successor is elected and qualified.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-11

Quarterly meetings; calling meetings; quorum; authorization of

action

Sec. 11. (a) A development board shall meet at least quarterly.

(b) The chair of a development board or any two (2) members of a development board may call a special meeting of the development board.

(c) A majority of the appointed members of a development board constitutes a quorum.

(d) The affirmative votes of at least a majority of the appointed members of a development board are necessary to authorize any action of the development authority.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-12

Bylaws and rules

Sec. 12. A development board may adopt the bylaws and rules that the development board considers necessary for the proper conduct of the development board's duties and the safeguarding of the development authority's funds and property.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-13

Common construction wage, public purchasing, and public works project laws apply

Sec. 13. (a) A development authority shall comply with IC 5-16-7 (common construction wage), IC 5-22 (public purchasing), IC 36-1-12 (public work projects), and any applicable federal bidding statutes and regulations. An eligible political subdivision that receives a loan, a grant, or other financial assistance from a development authority or enters into a lease with a development authority must comply with applicable federal, state, and local public purchasing and bidding laws and regulations. However, a purchasing agency (as defined in IC 5-22-2-25) of an eligible political subdivision may:

(1) assign or sell a lease for property to a development authority; or

(2) enter into a lease for property with a development authority; at any price and under any other terms and conditions as may be determined by the eligible political subdivision and the development authority. However, before making an assignment or a sale of a lease or entering into a lease under this section that would otherwise be subject to IC 5-22, the eligible political subdivision or its purchasing agent must obtain or cause to be obtained a purchase price for the property to be subject to the lease from the lowest responsible and responsive bidder in accordance with the requirements for the purchase of supplies under IC 5-22.

(b) In addition to the provisions of subsection (a), with respect to projects undertaken by a development authority, the development authority shall set a goal for participation by minority business enterprises and women's business enterprises. The goals must be consistent with:

- (1) the participation goals established by the counties and municipalities that are members of the development authority; and
- (2) the goals of delivering the project on time and within the budgeted amount and, insofar as possible, using Indiana businesses for employees, goods, and services.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-14

Annual financial audit

Sec. 14. (a) The office of management and budget shall contract with a certified public accountant for an annual financial audit of each development authority. The certified public accountant may not have a significant financial interest, as determined by the office of management and budget, in a project, facility, or service funded by or leased by or to any development authority.

(b) The certified public accountant shall present an audit report not later than four (4) months after the end of each calendar year and shall make recommendations to improve the efficiency of development authority operations. The certified public accountant shall also perform a study and evaluation of internal accounting controls and shall express an opinion on the controls that were in effect during the audit period.

(c) A development authority shall pay the cost of the annual financial audit under subsection (a). In addition, the state board of accounts may at any time conduct an audit of any phase of the operations of a development authority. A development authority shall pay the cost of any audit by the state board of accounts.

As added by P.L.232-2007, SEC.7.

IC 36-7.6-2-15

Local advisory committees

Sec. 15. Each county or municipality that is member of a development authority may appoint a local advisory committee to advise the county or municipality on issues related to the development authority.

As added by P.L.232-2007, SEC.7.