

IC 36-7.6-2

Chapter 2. Development Authority and Board

IC 36-7.6-2-1

Establishment of development authorities

Sec. 1. The provisions of section 3 of this chapter govern the establishment of a development authority.

As added by P.L.232-2007, SEC.7. Amended by P.L.178-2015, SEC.8.

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;
 - (F) regional trail or greenway projects; and
 - (G) any project that enhances the region with the goal of attracting people or business;that are of regional importance.

As added by P.L.232-2007, SEC.7. Amended by P.L.178-2015, SEC.9.

IC 36-7.6-2-3

Units that may establish a development authority; requirements

Sec. 3. (a) A development authority may be established by any of the following:

- (1) One (1) or more counties and one (1) or more adjacent counties.
- (2) One (1) or more counties and one (1) or more qualified cities in adjacent counties.
- (3) One (1) or more qualified cities and one (1) or more qualified cities in adjacent counties.

(b) A county or qualified 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 qualified city adopts an ordinance authorizing the county or qualified city to participate in the establishment of the development authority.

(c) When a county establishes a development authority with another unit as provided in this chapter, each qualified city and third

class city in the county also becomes a member of the development authority, without further action by the qualified city, third class city, or the development authority.

(d) Notwithstanding any other provision of this article, a county or municipality may be a member of only one (1) development authority.

(e) Notwithstanding any other provision of this article, 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.

(f) A development authority shall notify the Indiana economic development corporation in writing promptly after the development authority is established.

As added by P.L.232-2007, SEC.7. Amended by P.L.178-2015, SEC.10.

IC 36-7.6-2-4

Joining an existing development authority

Sec. 4. (a) A county that:

- (1) is not a member of a development authority; and
- (2) is adjacent to a county that:
 - (A) is a member of a development authority; or
 - (B) contains a member of a development authority;

may join that development authority under this article.

(b) A qualified city or a third class city that:

- (1) is not a member of a development authority; and
- (2) is located in a county that:
 - (A) is adjacent to a county that is a member of a development authority; or
 - (B) is adjacent to a county containing a member of a development authority;

may join that development authority under this article.

(c) A town that:

- (1) is not a member of a development authority; and
- (2) is located in a county that:
 - (A) is a member of a development authority;
 - (B) is adjacent to a county that is a member of a development authority; or
 - (C) is adjacent to a county containing a member of a development authority;

may join that development authority under this article.

(d) A county or qualified city described in subsection (a), (b), or

(c) may join a development authority under this article only if:

- (1) the fiscal body of the county, qualified city, third class city, or town adopts an ordinance authorizing the county, qualified city, third class city, or town to become a member of the development authority; and
- (2) the development board of the development authority adopts a resolution authorizing the county, qualified city, third class

city, or town to become a member of the development authority.

(e) A county, qualified city, third class city, or town becomes a member of a development authority upon passage of a resolution under subsection (d)(2) authorizing the county, qualified city, third class city, or town to become a member of the development authority.

(f) Notwithstanding subsection (e), if a county joins a development authority under this section, each qualified city and third class city in the county also becomes a member of the development authority, without further action by the qualified city, third class city, or the development authority.

(g) A development authority shall notify the Indiana economic development corporation promptly in writing when a new member joins the development authority.

As added by P.L.232-2007, SEC.7. Amended by P.L.3-2008, SEC.265; P.L.178-2015, SEC.11.

IC 36-7.6-2-5

Minimum length of participation; withdrawal

Sec. 5. (a) This section applies to a county, qualified city, third class city, or town authorized to establish or join a development authority under this article.

(b) A county, qualified city, third class city, or town described in subsection (a) shall be a member of the development authority for at least eight (8) years after the date the county, qualified city, third class city, or town 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 county's, qualified city's, third class city's, or town's membership period under subsection (b) or this subsection, the county, qualified city, third class city, or town described in subsection (a) must adopt an ordinance that:

(1) commits the county, qualified city, third class city, or town to an additional eight (8) years as a member of the development authority, beginning at the end of the current membership period; or

(2) withdraws the county, qualified city, third class city, or town from membership in the development authority not earlier than the end of the current membership period.

(d) A county, qualified city, third class city, or town described in subsection (a) may withdraw from a development authority as provided in this section without the approval of the development board. However, the withdrawal of a county does not affect the membership of a qualified city or third class city that became a member of the development authority as a result of the county's membership.

(e) If at the end of a county's membership 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 qualified cities and third class cities in the county may not withdraw from the development authority and remain

members of the development authority.

(f) A development authority shall notify the Indiana economic development corporation promptly in writing when a member withdraws from the development authority.

As added by P.L.232-2007, SEC.7. Amended by P.L.178-2015, SEC.12.

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:

(1) IC 36-7.6-4-2; or

(2) an agreement between the members of the development authority and the development board;

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. Amended by P.L.178-2015, SEC.13.

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 five (5) members appointed by written agreement of the executives of the members of the development authority.

(c) A member appointed to the development board:

(1) may not be an elected official or an employee of a member county or municipality; and

(2) must have knowledge of and at least five (5) years professional work experience in at least one (1) of the following:

(A) Transportation.

(B) Regional economic development.

(C) Business or finance.

(D) Private, nonprofit sector, or academia.

As added by P.L.232-2007, SEC.7. Amended by P.L.178-2015, SEC.14.

IC 36-7.6-2-8

Repealed

(As added by P.L.232-2007, SEC.7. Repealed by P.L.178-2015, SEC.15.)

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. A member may be reappointed to subsequent

terms.

(b) A member of a development board may only be removed from the development board before the expiration of the four (4) year term by written agreement of at least three-fourths (3/4) of the executives of the members of the development authority.

(c) If a vacancy occurs on a development board, the executives of the members of the development authority at the time of the vacancy shall fill the vacancy by appointing a new member for the remainder of the vacated term and as otherwise provided in subsection (a).

(d) 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.

(e) 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. Amended by P.L.178-2015, SEC.16.

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 shall 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. Amended by P.L.178-2015, SEC.17.

IC 36-7.6-2-13

Public purchasing and public works project laws apply

Sec. 13. (a) A development authority shall comply with 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. Amended by P.L.252-2015, SEC.50.

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.