

1 AN ACT in relation to housing.

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

4 Section 5. The Housing Authorities Act is amended by
5 adding Section 8.4a and changing Sections 11, 17, and 21 as
6 follows:

7 (310 ILCS 10/8.4a new)

8 Sec. 8.4a. Additional powers. In addition to powers
9 conferred by this Act and other laws concerning housing
10 authorities, generally, an Authority for a municipality
11 having a population in excess of 1,000,000 may do any of the
12 following:

13 (a) Issue revenue bonds for the purpose of financing the
14 construction, equipping, or rehabilitation or refinancing of
15 multifamily rental housing and for the provision of capital
16 improvements in connection with and determined necessary to
17 the multifamily rental housing located within the
18 municipality having a population in excess of 1,000,000.

19 (b) Make or undertake commitments to make loans to
20 finance the construction, equipping, or rehabilitation or
21 refinancing of multifamily rental housing located within the
22 municipality having a population in excess of 1,000,000.

23 (c) Purchase or undertake, directly or indirectly
24 through lending institutions, commitments to purchase,
25 construction loans, and mortgage loans originated in
26 accordance with a financing agreement with the Authority to
27 finance the construction, equipping, or rehabilitation or
28 refinancing of multifamily rental housing located within the
29 municipality having a population in excess of 1,000,000, or
30 make loans to lending institutions under terms and conditions
31 which, in addition to other provisions determined by the

1 Authority, shall require the lending institutions to use the
2 net proceeds of the loans for the making, directly or
3 indirectly, of construction loans or mortgage loans to
4 finance the construction, equipping, rehabilitation or
5 refinancing of multifamily rental housing located within the
6 municipality having a population in excess of 1,000,000.

7 (310 ILCS 10/11) (from Ch. 67 1/2, par. 11)

8 Sec. 11. An Authority shall have power to issue bonds
9 from time to time in its discretion to finance in whole or in
10 part the cost of acquisition, purchase, construction,
11 reconstruction, improvement, alteration, extension or repair
12 of any project or undertaking hereunder. An Authority shall
13 also have power to issue refunding bonds for the purpose of
14 paying or retiring bonds previously issued by it. An
15 Authority may issue such types of bonds as it may determine
16 by resolution, including bonds on which the principal and
17 interest are payable; (a) exclusively from the income and
18 revenues of the housing project financed with the proceeds of
19 such bonds (including, without limitation, income and
20 revenues derived from a loan agreement with respect to a
21 project located within the municipality having a population
22 in excess of 1,000,000), or with such proceeds together with
23 a grant from the Federal Government or any political
24 subdivision of the State in aid of such project; (b)
25 exclusively from the income and revenues of certain
26 designated housing projects of such Authority whether or not
27 they were financed in whole or in part with the proceeds of
28 such bonds; or (c) from its revenues generally. Any of such
29 bonds may be additionally secured by a pledge of any revenues
30 of any housing project, projects or other property of the
31 Authority.

32 In addition to powers conferred by this Act and other
33 laws concerning housing authorities in general, an Authority

1 for a municipality having a population in excess of 1,000,000
2 may grant a specific pledge or assignment of, and lien on or
3 security interest in, the income and revenues of the
4 Authority derived from the loan agreement with respect to the
5 project or projects, as well as in any reserves, funds, or
6 accounts established in the resolution authorizing the bonds
7 or the indenture or other instrument under which the bonds
8 are issued. As evidence of such pledge, assignment, lien,
9 and security interest, the Authority may execute and deliver
10 a mortgage, trust agreement, indenture, security agreement,
11 or an assignment thereof. The provisions of this amendatory
12 Act of the 92nd General Assembly create additional powers for
13 housing authorities having a population in excess of
14 1,000,000; these provisions do not limit the powers conferred
15 on housing authorities in general.

16 Neither the commissioners of an Authority nor any person
17 executing the bonds shall be liable personally on the bonds
18 by reason of the issuance thereof. The bonds and other
19 obligations of an Authority (and such bonds and obligations
20 shall so state on their face) shall not be a debt of any
21 city, village, incorporated town, county, the State or any
22 political subdivision thereof and neither the city, village,
23 incorporated town or the county, nor the State or any
24 political subdivision thereof shall be liable thereon, nor in
25 any event shall such bonds or obligations be payable out of
26 any funds or properties other than those of said Authority.
27 The bonds shall not constitute an indebtedness within the
28 meaning of any constitutional or statutory debt limitation or
29 restriction.

30 (Source: Laws 1937, p. 679.)

31 (310 ILCS 10/17) (from Ch. 67 1/2, par. 17)

32 Sec. 17. The following terms, wherever used or referred
33 to in this Act shall have the following respective meanings,

1 unless in any case a different meaning clearly appears from
2 the context:

3 (a) "Authority" or "housing authority" shall mean a
4 municipal corporation organized in accordance with the
5 provisions of this Act for the purposes, with the powers and
6 subject to the restrictions herein set forth.

7 (b) "Area" or "area of operation" shall mean: (1) in the
8 case of an authority which is created hereunder for a city,
9 village, or incorporated town, the area within the
10 territorial boundaries of said city, village, or incorporated
11 town, and so long as no county housing authority has
12 jurisdiction therein, the area within three miles from such
13 territorial boundaries, except any part of such area located
14 within the territorial boundaries of any other city, village,
15 or incorporated town; and (2) in the case of a county shall
16 include all of the county except the area of any city,
17 village or incorporated town located therein in which there
18 is an Authority. When an authority is created for a county
19 subsequent to the creation of an authority for a city,
20 village or incorporated town within the same county, the area
21 of operation of the authority for such city, village or
22 incorporated town shall thereafter be limited to the
23 territory of such city, village or incorporated town, but the
24 authority for such city, village or incorporated town may
25 continue to operate any project developed in whole or in part
26 in an area previously a part of its area of operation, or may
27 contract with the county housing authority with respect to
28 the sale, lease, development or administration of such
29 project. When an authority is created for a city, village or
30 incorporated town subsequent to the creation of a county
31 housing authority which previously included such city,
32 village or incorporated town within its area of operation,
33 such county housing authority shall have no power to create
34 any additional project within the city, village or

1 incorporated town, but any existing project in the city,
2 village or incorporated town currently owned and operated by
3 the county housing authority shall remain in the ownership,
4 operation, custody and control of the county housing
5 authority.

6 (c) "Presiding officer" shall mean the presiding officer
7 of the board of a county, or the mayor or president of a
8 city, village or incorporated town, as the case may be, for
9 which an Authority is created hereunder.

10 (d) "Commissioner" shall mean one of the members of an
11 Authority appointed in accordance with the provisions of this
12 Act.

13 (e) "Government" shall include the State and Federal
14 governments and the governments of any subdivisions, agency
15 or instrumentality, corporate or otherwise, of either of
16 them.

17 (f) "Department" shall mean the Department of Commerce
18 and Community Affairs.

19 (g) "Project" shall include all lands, buildings, and
20 improvements, acquired, owned, leased, managed or operated by
21 a housing authority, and all buildings and improvements
22 constructed, reconstructed or repaired by a housing
23 authority, designed to provide housing accommodations and
24 facilities appurtenant thereto (including community
25 facilities and stores) which are planned as a unit, whether
26 or not acquired or constructed at one time even though all or
27 a portion of the buildings are not contiguous or adjacent to
28 one another; and the planning of buildings and improvements,
29 the acquisition of property, the demolition of existing
30 structures, the clearing of land, the construction,
31 reconstruction, and repair of buildings or improvements and
32 all other work in connection therewith. As provided in
33 Sections 8.14 to 8.18, inclusive, "project" also means, for
34 Housing Authorities for municipalities of less than 500,000

1 population and for counties, the conservation of urban areas
2 in accordance with an approved conservation plan. "Project"
3 shall also include (1) acquisition of (i) a slum or blighted
4 area or a deteriorated or deteriorating area which is
5 predominantly residential in character, or (ii) any other
6 deteriorated or deteriorating area which is to be developed
7 or redeveloped for predominantly residential uses, or (iii)
8 platted urban or suburban land which is predominantly open
9 and which because of obsolete platting, diversity of
10 ownership, deterioration of structures or of site
11 improvements, or otherwise substantially impairs or arrests
12 the sound growth of the community and which is to be
13 developed for predominantly residential uses, or (iv) open
14 unplatted urban or suburban land necessary for sound
15 community growth which is to be developed for predominantly
16 residential uses, or (v) any other area where parcels of land
17 remain undeveloped because of improper platting, delinquent
18 taxes or special assessments, scattered or uncertain
19 ownerships, clouds on title, artificial values due to
20 excessive utility costs, or any other impediments to the use
21 of such area for predominantly residential uses; (2)
22 installation, construction, or reconstruction of streets,
23 utilities, and other site improvements essential to the
24 preparation of sites for uses in accordance with the
25 development or redevelopment plan; and (3) making the land
26 available for development or redevelopment by private
27 enterprise or public agencies (including sale, initial
28 leasing, or retention by the local public agency itself). If
29 in any city, village or incorporated town there exists a land
30 clearance commission created under the "Blighted Areas
31 Redevelopment Act of 1947" having the same area of operation
32 as a housing authority created in and for any such
33 municipality such housing authority shall have no power to
34 acquire land of the character described in subparagraph

1 (iii), (iv) or (v) of paragraph 1 of the definition of
2 "project" for the purpose of development or redevelopment by
3 private enterprise.

4 (h) "Community facilities" shall include lands,
5 buildings, and equipment for recreation or social assembly,
6 for education, health or welfare activities and other
7 necessary utilities primarily for use and benefit of the
8 occupants of housing accommodations to be constructed,
9 reconstructed, repaired or operated hereunder.

10 (i) "Real property" shall include lands, lands under
11 water, structures, and any and all easements, franchises and
12 incorporeal hereditaments and estates, and rights, legal and
13 equitable, including terms for years and liens by way of
14 judgment, mortgage or otherwise.

15 (j) The term "governing body" shall include the city
16 council of any city, the president and board of trustees of
17 any village or incorporated town, the council of any city or
18 village, and the county board of any county.

19 (k) The phrase "individual, association, corporation or
20 organization" shall include any individual, private
21 corporation, insurance company, housing corporation,
22 neighborhood redevelopment corporation, non-profit
23 corporation, incorporated or unincorporated group or
24 association, educational institution, hospital, or charitable
25 organization, and any mutual ownership or cooperative
26 organization.

27 (l) "Conservation area", for the purpose of the exercise
28 of the powers granted in Sections 8.14 to 8.18, inclusive,
29 for housing authorities for municipalities of less than
30 500,000 population and for counties, means an area of not
31 less than 2 acres in which the structures in 50% or more of
32 the area are residential having an average age of 35 years or
33 more. Such an area is not yet a slum or blighted area as
34 defined in the Blighted Areas Redevelopment Act of 1947, but

1 such an area by reason of dilapidation, obsolescence,
2 deterioration or illegal use of individual structures,
3 overcrowding of structures and community facilities,
4 conversion of residential units into non-residential use,
5 deleterious land use or layout, decline of physical
6 maintenance, lack of community planning, or any combination
7 of these factors may become a slum and blighted area.

8 (m) "Conservation plan" means the comprehensive program
9 for the physical development and replanning of a
10 "Conservation Area" as defined in paragraph (l) embodying the
11 steps required to prevent such Conservation Area from
12 becoming a slum and blighted area.

13 (n) "Fair use value" means the fair cash market value of
14 real property when employed for the use contemplated by a
15 "Conservation Plan" in municipalities of less than 500,000
16 population and in counties.

17 (o) "Community facilities" means, in relation to a
18 "Conservation Plan", those physical plants which implement,
19 support and facilitate the activities, services and interests
20 of education, recreation, shopping, health, welfare, religion
21 and general culture.

22 (p) "Loan agreement" means any agreement pursuant to
23 which an Authority agrees to loan the proceeds of its revenue
24 bonds issued with respect to a multifamily rental housing
25 project or other funds of the Authority to any person upon
26 terms providing for loan repayment installments at least
27 sufficient to pay when due all principal of, premium, if any,
28 and interest on the revenue bonds of the Authority issued
29 with respect to the multifamily rental housing project, and
30 providing for maintenance, insurance, and other matters as
31 may be deemed desirable by the Authority.

32 (q) "Multifamily rental housing" means any rental
33 project designed for mixed-income or low-income occupancy.

34 (Source: P.A. 87-200.)

1 (310 ILCS 10/21) (from Ch. 67 1/2, par. 21)

2 Sec. 21. In connection with the issuance of bonds or the
3 incurring of obligations under leases and in order to secure
4 the payment of such bonds or obligations, an Authority, in
5 addition to its other powers, shall have power:

6 (a) To pledge all or any part of its gross or net rents,
7 fees or revenues to which its right then exists or may
8 thereafter come into existence.

9 (b) To covenant against pledging all or any part of its
10 rents, fees and revenues, or against permitting or allowing
11 any lien on such revenues or property; to covenant with
12 respect to limitations on its right to sell, lease or
13 otherwise dispose of any housing project or any part thereof;
14 and to covenant as to what other, or additional debts or
15 obligations may be incurred by it.

16 (c) To covenant as to the bonds to be issued and as to
17 the issuance of such bonds in escrow or otherwise, and as to
18 the use and disposition of the proceeds thereof: to provide
19 for the replacement of lost, destroyed or mutilated bonds; to
20 covenant against extending the time for the payment of its
21 bonds or interest thereon; and to redeem the bonds, and to
22 covenant for their redemption and to provide the terms and
23 conditions thereof.

24 (d) To covenant (subject to the limitations contained in
25 this Act) as to the rents and fees to be charged in the
26 operation of a housing project or projects, the amount to be
27 raised each year or other period of time by rents, fees and
28 other revenues, and as to the use and disposition to be made
29 thereof; to create or to authorize the creation of special
30 funds for moneys held for construction or operating costs,
31 debt service, reserves, or other purposes, and to covenant as
32 to the use and disposition of the moneys held in such funds.

33 (e) To prescribe the procedure, if any, by which the
34 terms of any contract with bondholders may be amended or

1 abrogated, the amount of bonds the holders of which must
2 consent thereto and the manner in which such consent may be
3 given.

4 (f) To covenant as to the use of any or all of its real
5 or personal property; and to covenant as to the maintenance
6 of its real and personal property, the replacement thereof,
7 the insurance to be carried thereon and the use and
8 disposition of insurance moneys.

9 (g) To covenant as to the rights, liabilities, powers
10 and duties arising upon the breach by it of any covenant,
11 condition, or obligation; and to covenant and prescribe as to
12 events of default and terms and conditions upon which any or
13 all of its bonds or obligations shall become or may be
14 declared due before maturity, and as to the terms and
15 conditions upon which such declaration and its consequences
16 may be waived.

17 (h) To vest in a trustee or trustees or the holders of
18 bonds or any specified proportion of them the right to
19 enforce the payment of the bonds or any covenants securing or
20 relating to the bonds; to vest in a trustee or trustees the
21 right, in the event of a default by the Authority, to take
22 possession of any housing project or part thereof, and (so
23 long as the Authority shall continue in default) to retain
24 such possession and use, operate and manage the project, and
25 to collect the rents and revenues arising therefrom and to
26 dispose of such moneys in accordance with the agreement of
27 the Authority with the trustee; to provide for the powers and
28 duties of a trustee or trustees and to limit the liabilities
29 thereof; and to provide the terms and conditions upon which
30 the trustee or trustees or the holders of bonds or any
31 proportion of them may enforce any covenant or rights
32 securing or relating to the bonds.

33 (i) In the case of an Authority for a municipality
34 having a population in excess of 1,000,000, to enter into

1 loan agreements, regulatory agreements, and all other
2 instruments or documentation with private borrowers of the
3 proceeds of the Authority's multifamily housing revenue bonds
4 and to accept guaranties from persons of its loans or the
5 resultant evidences of obligations to the Authority. The
6 provisions of this amendatory Act of the 92nd General
7 Assembly create additional powers for housing authorities
8 having a population in excess of 1,000,000; these provisions
9 do not limit the powers conferred on housing authorities in
10 general.

11 (j) To exercise all or any part or combination of the
12 powers herein granted; to make covenants other than and in
13 addition to the covenants herein expressly authorized, of
14 like or different character; to make such covenants and to do
15 any and all such acts and things as may be necessary or
16 convenient or desirable in order to secure its bonds, or, in
17 the absolute discretion of the Authority, as will tend to
18 make the bonds more marketable notwithstanding that such
19 covenants, acts or things may not be enumerated herein.

20 (Source: P.A. 84-551.)

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.