

1 AN ACT concerning State government.

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

4 Section 5. The State Finance Act is amended by adding
5 Section 5.676 as follows:

6 (30 ILCS 105/5.676 new)

7 Sec. 5.676. The Illinois Affordable Housing Capital Fund.

8 Section 10. The Illinois Affordable Housing Act is amended
9 by changing Sections 3 and 7 and by adding Sections 5.5 and 8.5
10 as follows:

11 (310 ILCS 65/3) (from Ch. 67 1/2, par. 1253)

12 Sec. 3. Definitions. As used in this Act:

13 (a) "Program" means the Illinois Affordable Housing
14 Program.

15 (b) "Trust Fund" means the Illinois Affordable Housing
16 Trust Fund.

17 (b-5) "Capital Fund" means the Illinois Affordable Housing
18 Capital Fund.

19 (c) "Low-income household" means a single person, family or
20 unrelated persons living together whose adjusted income is more
21 than 50%, but less than 80%, of the median income of the area

1 of residence, adjusted for family size, as such adjusted income
2 and median income for the area are determined from time to time
3 by the United States Department of Housing and Urban
4 Development for purposes of Section 8 of the United States
5 Housing Act of 1937.

6 (d) "Very low-income household" means a single person,
7 family or unrelated persons living together whose adjusted
8 income is not more than 50% of the median income of the area of
9 residence, adjusted for family size, as such adjusted income
10 and median income for the area are determined from time to time
11 by the United States Department of Housing and Urban
12 Development for purposes of Section 8 of the United States
13 Housing Act of 1937.

14 (e) "Affordable housing" means residential housing that,
15 so long as the same is occupied by low-income households or
16 very low-income households, requires payment of monthly
17 housing costs, including utilities other than telephone, of no
18 more than 30% of the maximum allowable income as stated for
19 such households as defined in this Section.

20 (f) "Multi-family housing" means a building or buildings
21 providing housing to 5 or more households.

22 (g) "Single-family housing" means a building containing
23 one to 4 dwelling units, including a mobile home as defined in
24 subsection (b) of Section 3 of the Mobile Home Landlord and
25 Tenant Rights Act, as amended.

26 (h) "Community-based organization" means a not-for-profit

1 entity whose governing body includes a majority of members who
2 reside in the community served by the organization.

3 (i) "Advocacy organization" means a not-for-profit
4 organization which conducts, in part or in whole, activities to
5 influence public policy on behalf of low-income or very
6 low-income households.

7 (j) "Program Administrator" means the Illinois Housing
8 Development Authority.

9 (k) "Funding Agent" means the Illinois Department of
10 Revenue.

11 (l) "Commission" means the Affordable Housing Advisory
12 Commission.

13 (m) "Congregate housing" means a building or structure in
14 which 2 or more households, inclusive, share common living
15 areas and may share child care, cleaning, cooking and other
16 household responsibilities.

17 (n) "Eligible applicant" means a proprietorship,
18 partnership, for-profit corporation, not-for-profit
19 corporation or unit of local government which seeks to use fund
20 assets as provided in this Article.

21 (o) "Moderate income household" means a single person,
22 family or unrelated persons living together whose adjusted
23 income is more than 80% but less than 120% of the median income
24 of the area of residence, adjusted for family size, as such
25 adjusted income and median income for the area are determined
26 from time to time by the United States Department of Housing

1 and Urban Development for purposes of Section 8 of the United
2 States Housing Act of 1937.

3 (p) "Affordable Housing Program Trust Fund Bonds or Notes"
4 means the bonds or notes issued by the Program Administrator
5 under the Illinois Housing Development Act to further the
6 purposes of this Act.

7 (q) "Trust Fund Moneys" means all moneys, deposits,
8 revenues, income, interest, dividends, receipts, taxes,
9 proceeds and other amounts or funds deposited or to be
10 deposited in the Trust Fund pursuant to Section 5(b) of this
11 Act and any proceeds, investments or increase thereof.

12 (r) "Program Escrow" means accounts, except those accounts
13 relating to any Affordable Housing Program Trust Fund Bonds or
14 Notes, designated by the Program Administrator, into which
15 Trust Fund Moneys are deposited.

16 (Source: P.A. 91-357, eff. 7-29-99.)

17 (310 ILCS 65/5.5 new)

18 Sec. 5.5. Illinois Affordable Housing Capital Fund.

19 (a) There is hereby created the Illinois Affordable Housing
20 Capital Fund, hereinafter referred to as the "Capital Fund", to
21 be held as a separate fund within the State treasury and to be
22 administered by the Program Administrator. The purpose of the
23 Capital Fund is to finance projects of the Illinois Affordable
24 Housing Program as authorized by the Illinois Housing
25 Development Authority's comprehensive plan and approved by the

1 Program Administrator. The Funding Agent shall establish,
2 within the Capital Fund, a general account to be used for
3 expenditures associated with implementing the provisions of
4 the Illinois Housing Development Authority's comprehensive
5 plan, a Commitment Account, and a Development Credits Account.
6 The Funding Agent shall authorize distribution of Capital Fund
7 moneys to the Program Administrator or a payee designated by
8 the Program Administrator for purposes authorized by this Act.
9 After receipt of the Capital Fund moneys by the Program
10 Administrator or designated payee, the Program Administrator
11 shall ensure that all those moneys are expended for a public
12 purpose and only as authorized by this Act.

13 (b) There shall be deposited in the Capital Fund such
14 amounts as may become available under the provisions of this
15 Act, including, but not limited to:

16 (1) any appropriations made to the Funding Agent on
17 behalf of the Program Administrator pursuant to an issuance
18 of General Obligation Bonds of the State of Illinois;

19 (2) all receipts, including dividends, principal, and
20 interest repayments, attributable to any loans or
21 agreements funded from the Capital Fund;

22 (3) all proceeds of assets of whatever nature received
23 by the Program Administrator and attributable to default
24 with respect to loans or agreements funded from the Capital
25 Fund;

26 (4) all fees or charges collected by the Program

1 Administrator or Funding Agent in connection with loans or
2 agreements funded from the Capital Fund pursuant to this
3 Act;

4 (5) any other funds as appropriated by the General
5 Assembly; and

6 (6) any income, less any administrative costs and fees
7 associated with the Program Escrow, received by the Program
8 Administrator that is derived from moneys in the Capital
9 Fund held in the Program Escrow prior to expenditure of
10 such moneys.

11 (310 ILCS 65/7) (from Ch. 67 1/2, par. 1257)

12 Sec. 7. Powers of the Program Administrator. The Program
13 Administrator, in addition to the powers set forth in the
14 Illinois Housing Development Act and the powers identified in
15 Sections 8 and 9 of this Act, has the power to:

16 (a) identify, select and make financing available to
17 eligible applicants from monies in the Trust Fund or the
18 Capital Fund or from monies secured by the Trust Fund or
19 the Capital Fund for affordable housing for low and very
20 low-income families;

21 (b) purchase first and second mortgages, to make
22 secured, unsecured or deferred repayment loans, to make no
23 interest or low interest loans or to issue grants, payments
24 or subsidies for the predevelopment expenses, acquisition,
25 construction, rehabilitation development, operation,

1 insurance, or retention of projects in support of
2 affordable single family and multi-family housing for low
3 and very low-income households;

4 (c) expend monies for mortgage participation
5 certificates representing an undivided interest in
6 specified, first-lien conventional residential Illinois
7 mortgages which are underwritten, insured, guaranteed or
8 purchased by the Federal Home Loan Mortgage Corporation;

9 (d) fix, determine, charge and collect any fees, costs
10 and expenses, including without limitation, any
11 application fees, commitment or servicing fees, program
12 fees, financing charges, or publication fees in connection
13 with activities under this Act;

14 (e) establish applications, notification procedures,
15 and other forms, and to prepare and issue rules deemed
16 necessary and appropriate to implement this Act with
17 consultation from the Commission; and to issue emergency
18 rules, as necessary, for program implementation needed
19 prior to publication of the first annual plan required by
20 Section 12 of this Act;

21 (f) make and enter into and enforce all loans, loan
22 commitments, contracts and agreements necessary,
23 convenient or desirable to the performance of its duties
24 and the execution of its powers under this Act;

25 (g) consent, subject to the provisions of any contract
26 or agreement with another person, whenever it deems it is

1 necessary or desirable in the fulfillment of the purposes
2 of this Act, to the modification or restructuring of any
3 loan commitment, loan, contract or agreement to which the
4 Program Administrator is a party;

5 (h) acquire by purchase, gift, or foreclosure, but not
6 by condemnation, any real or personal property, or any
7 interest therein, to procure insurance against loss, to
8 enter into any lease of property and to hold, sell, assign,
9 lease, mortgage or otherwise dispose of any real or
10 personal property, or any interest therein, or relinquish
11 any right, title, claim, lien, interest, easement or demand
12 however acquired, and to do any of the foregoing by public
13 or private sale;

14 (i) subject to the provisions of any contract or
15 agreement with another party to collect, enforce the
16 collection of, and foreclose on any property or collateral
17 securing its loan or loans, mortgage or mortgages, and
18 acquire or take possession of such property or collateral
19 and release or relinquish any right, title, claim, lien,
20 interest, easement, or demand in property foreclosed by it
21 or to sell the same at public or private sale, with or
22 without bidding, and otherwise deal with such collateral as
23 may be necessary to protect the interest of the Program
24 Administrator;

25 (j) sell any eligible loan made by the Program
26 Administrator or mortgage interest owned by it, at public

1 or private sale, with or without bidding, either singly or
2 in groups, or in shares of loans or shares of groups of
3 loans, and to deposit and invest the funds derived from
4 such sales in any manner authorized by this Act;

5 (k) provide, contract or arrange, or participate with
6 or enter into agreements with any department, agency or
7 authority of the United States or of this State, or any
8 local unit of government, or any banking institution,
9 insurance company, trust or fiduciary or any foundation or
10 not-for-profit agency for the review, application,
11 servicing, processing or administration of any proposed
12 loan, grant, application, servicing, processing or
13 administration of any proposed loan, grant, agreement, or
14 contract of the Department when such arrangement is in
15 furtherance of this Act;

16 (l) receive and accept any gifts, grants, donations or
17 contributions from any source, of money, property, labor or
18 other things of value, to be held, used and applied to
19 carry out the purposes of this Act subject to including,
20 but not limited to, gifts or grants from any Department or
21 agency of the United States or the State or from any local
22 unit of government, not-for-profit organization or private
23 firm or individual for any purpose consistent with this
24 Act; and

25 (m) exercise such other powers as are necessary or
26 incidental to the administration of this Act or performance

1 of duties under this Act.

2 (Source: P.A. 91-357, eff. 7-29-99.)

3 (310 ILCS 65/8.5 new)

4 Sec. 8.5. Uses of Illinois Affordable Housing Capital Fund;
5 report.

6 (a) Subject to annual appropriation to the Funding Agent,
7 the Illinois Affordable Housing Capital Fund may be used to
8 make grants, mortgages, or other loans to acquire, construct,
9 rehabilitate, develop, insure, and retain affordable
10 single-family and multi-family housing in this State for
11 low-income and very low-income households. The majority of
12 moneys appropriated to the Illinois Affordable Housing Capital
13 Fund in any given year are to be used for affordable housing
14 for very low-income households.

15 (b) The Illinois Housing Development Authority shall
16 submit an annual report to the General Assembly and the
17 Governor regarding the Illinois Affordable Housing Capital
18 Fund.