

1 AN ACT concerning 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 changing Sections 8.2, 14, 17, and 24 as follows:

6 (310 ILCS 10/8.2) (from Ch. 67 1/2, par. 8.2)

7 Sec. 8.2. Projects; competitive bidding; arrangement with
8 for-profit developer. An Authority has power to prepare, carry
9 out and operate projects; to provide for the construction,
10 reconstruction, improvement, alteration or repair of any
11 project or any part thereof; to take over by purchase, lease,
12 or otherwise any project undertaken by any government; to act
13 as agent for the Federal government in connection with the
14 acquisition, construction, operation, or management of a
15 project or any part thereof; to arrange with any government
16 within the area of operation for the furnishing, planning,
17 replanning, opening or closing of streets, roads, roadways,
18 alleys, parks, or other places of public facilities or for the
19 acquisition by any government or any agency, instrumentality or
20 subdivision thereof, of property, options or property rights or
21 for the furnishing of property or services in connection with a
22 project; to function as an agency of the city, village,
23 incorporated town or county for which it is constituted an

1 Authority and to act as an agent (when so designated) for any
2 government, with respect to matters relating to housing and the
3 purposes of this Act, including action for the elimination of
4 unsafe and unsanitary dwellings, the provision of rental
5 assistance, the clearing and redevelopment of blighted or slum
6 areas, the assembly of improved and unimproved land for
7 development or redevelopment purposes, the conservation and
8 rehabilitation of existing housing, and the provision of
9 decent, safe and sanitary and affordable housing
10 accommodations, and to utilize any and all of its powers to
11 assist governments in any manner which will tend to further the
12 objectives of this Act; to assist through the exercise of the
13 powers herein conferred any individual, association,
14 corporation or organization which presents a plan for
15 developing or redeveloping any property within the area of
16 operation of the Authority which will tend to provide decent,
17 safe and sanitary and affordable housing, or promote other uses
18 essential to sound community growth.

19 In counties having a population of less than 1,000,000, any
20 contract in which State funds are used for repair, improvement
21 or rehabilitation of existing improvements that involves
22 expenditures that meet the requirements applicable to either
23 federal or State programs shall be let by free and competitive
24 bidding to the lowest responsible bidder upon bond and subject
25 to regulations as may be set by the Department and with the
26 written approval of the Department. In the case of an emergency

1 affecting the public health or safety declared by a majority
2 vote of the commissioners of the Housing Authority, contracts
3 may be let, to the extent necessary to resolve an emergency,
4 without public advertisement or competitive bidding.

5 In addition to the powers conferred by this Act and other
6 laws concerning housing authorities, a Housing Authority in any
7 municipality having a population in excess of 1,000,000 shall
8 be authorized to participate as a partner or member of a
9 partnership, limited liability company, joint venture, or
10 other form of a business arrangement with a for-profit
11 developer or non-profit developer and shall have all powers
12 deemed necessary and appropriate to engage in the
13 rehabilitation and development or ownership, or both
14 development and ownership, of low-income and mixed-income
15 rental and for-sale housing as a partner or member of a
16 partnership, limited liability company, or joint venture.

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

18 (310 ILCS 10/14) (from Ch. 67 1/2, par. 14)

19 Sec. 14. Approval of projects by Department. Prior to the
20 acquisition of title to any real property an Authority shall
21 submit to the Department data as to the location and cost of
22 the property, and prior to the undertaking of any construction
23 or other initiation of a project an Authority shall submit to
24 the Department the proposed plans, specifications and
25 estimates of the costs and a statement of the proposed methods

1 of financing and operating the project. An Authority shall not
2 finally acquire title to any real estate nor undertake the
3 construction or operation of a project without the approval of
4 the Department; provided that, if the Department shall fail
5 within thirty days after receipt thereof to state its
6 disapproval of the proposals or such modifications thereof as
7 it may deem desirable, the proposals shall be deemed to have
8 been approved as submitted. No change involving an expenditure
9 of more than twenty-five hundred dollars (\$2500) shall be made
10 in any proposal approved by the Department without submission
11 to the Department in the manner prescribed in this Section. The
12 provisions of this Section shall not apply with reference to
13 any project which is or is to be financed in whole or in part by
14 the federal government or any agency or instrumentality thereof
15 or undertaken pursuant to the additional powers conferred in
16 Section 8.2 upon housing authorities in any municipality having
17 a population in excess of 1,000,000 pursuant to this amendatory
18 Act of the 95th General Assembly.

19 (Source: P.A. 82-783.)

20 (310 ILCS 10/17) (from Ch. 67 1/2, par. 17)

21 Sec. 17. Definitions. The following terms, wherever used or
22 referred to in this Act shall have the following respective
23 meanings, unless in any case a different meaning clearly
24 appears from the context:

25 (a) "Authority" or "housing authority" shall mean a

1 municipal corporation organized in accordance with the
2 provisions of this Act for the purposes, with the powers and
3 subject to the restrictions herein set forth.

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

1 housing authority which previously included such city, village
2 or incorporated town within its area of operation, such county
3 housing authority shall have no power to create any additional
4 project within the city, village or incorporated town, but any
5 existing project in the city, village or incorporated town
6 currently owned and operated by the county housing authority
7 shall remain in the ownership, operation, custody and control
8 of the county housing authority.

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

13 (d) "Commissioner" shall mean one of the members of an
14 Authority appointed in accordance with the provisions of this
15 Act.

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

19 (f) "Department" shall mean the Department of Commerce and
20 Economic Opportunity.

21 (g) "Project" shall include all lands, buildings, and
22 improvements, acquired, owned, leased, managed or operated by a
23 housing authority, and all buildings and improvements
24 constructed, reconstructed or repaired by a housing authority,
25 designed to provide housing accommodations and facilities
26 appurtenant thereto (including community facilities and

1 stores) which are planned as a unit, whether or not acquired or
2 constructed at one time even though all or a portion of the
3 buildings are not contiguous or adjacent to one another; and
4 the planning of buildings and improvements, the acquisition of
5 property, the demolition of existing structures, the clearing
6 of land, the construction, reconstruction, and repair of
7 buildings or improvements and all other work in connection
8 therewith. As provided in Sections 8.14 to 8.18, inclusive,
9 "project" also means, for Housing Authorities for
10 municipalities of less than 500,000 population and for
11 counties, the conservation of urban areas in accordance with an
12 approved conservation plan. "Project" shall also include (1)
13 acquisition of (i) a slum or blighted area or a deteriorated or
14 deteriorating area which is predominantly residential in
15 character, or (ii) any other deteriorated or deteriorating area
16 which is to be developed or redeveloped for predominantly
17 residential uses, or (iii) platted urban or suburban land which
18 is predominantly open and which because of obsolete platting,
19 diversity of ownership, deterioration of structures or of site
20 improvements, or otherwise substantially impairs or arrests
21 the sound growth of the community and which is to be developed
22 for predominantly residential uses, or (iv) open unplatted
23 urban or suburban land necessary for sound community growth
24 which is to be developed for predominantly residential uses, or
25 (v) any other area where parcels of land remain undeveloped
26 because of improper platting, delinquent taxes or special

1 assessments, scattered or uncertain ownerships, clouds on
2 title, artificial values due to excessive utility costs, or any
3 other impediments to the use of such area for predominantly
4 residential uses; (2) installation, construction, or
5 reconstruction of streets, utilities, and other site
6 improvements essential to the preparation of sites for uses in
7 accordance with the development or redevelopment plan; and (3)
8 making the land available for development or redevelopment by
9 private enterprise or public agencies (including sale, initial
10 leasing, or retention by the local public agency itself). If in
11 any city, village or incorporated town there exists a land
12 clearance commission created under the "Blighted Areas
13 Redevelopment Act of 1947" having the same area of operation as
14 a housing authority created in and for any such municipality
15 such housing authority shall have no power to acquire land of
16 the character described in subparagraph (iii), (iv) or (v) of
17 paragraph 1 of the definition of "project" for the purpose of
18 development or redevelopment by private enterprise.

19 (h) "Community facilities" shall include lands, buildings,
20 and equipment for recreation or social assembly, for education,
21 health or welfare activities and other necessary utilities
22 primarily for use and benefit of the occupants of housing
23 accommodations to be constructed, reconstructed, repaired or
24 operated hereunder.

25 (i) "Real property" shall include lands, lands under water,
26 structures, and any and all easements, franchises and

1 incorporeal hereditaments and estates, and rights, legal and
2 equitable, including terms for years and liens by way of
3 judgment, mortgage or otherwise.

4 (j) The term "governing body" shall include the city
5 council of any city, the president and board of trustees of any
6 village or incorporated town, the council of any city or
7 village, and the county board of any county.

8 (k) The phrase "individual, association, corporation or
9 organization" shall include any individual, private
10 corporation, limited or general partnership, limited liability
11 company, insurance company, housing corporation, neighborhood
12 redevelopment corporation, non-profit corporation,
13 incorporated or unincorporated group or association,
14 educational institution, hospital, or charitable organization,
15 and any mutual ownership or cooperative organization.

16 (l) "Conservation area", for the purpose of the exercise of
17 the powers granted in Sections 8.14 to 8.18, inclusive, for
18 housing authorities for municipalities of less than 500,000
19 population and for counties, means an area of not less than 2
20 acres in which the structures in 50% or more of the area are
21 residential having an average age of 35 years or more. Such an
22 area is not yet a slum or blighted area as defined in the
23 Blighted Areas Redevelopment Act of 1947, but such an area by
24 reason of dilapidation, obsolescence, deterioration or illegal
25 use of individual structures, overcrowding of structures and
26 community facilities, conversion of residential units into

1 non-residential use, deleterious land use or layout, decline of
2 physical maintenance, lack of community planning, or any
3 combination of these factors may become a slum and blighted
4 area.

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

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

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

19 (p) "Loan agreement" means any agreement pursuant to which
20 an Authority agrees to loan the proceeds of its revenue bonds
21 issued with respect to a multifamily rental housing project or
22 other funds of the Authority to any person upon terms providing
23 for loan repayment installments at least sufficient to pay when
24 due all principal of, premium, if any, and interest on the
25 revenue bonds of the Authority issued with respect to the
26 multifamily rental housing project, and providing for

1 maintenance, insurance, and other matters as may be deemed
2 desirable by the Authority.

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

5 (Source: P.A. 94-793, eff. 5-19-06.)

6 (310 ILCS 10/24) (from Ch. 67 1/2, par. 24)

7 Sec. 24. Management and operation of housing projects. It
8 is hereby declared to be the policy of this State that each
9 housing authority shall manage and operate its housing projects
10 in an efficient manner so as to enable it to fix the rentals
11 for dwellings at the lowest possible rates consistent with its
12 providing decent, safe and sanitary and affordable dwellings,
13 and that no Housing Authority shall construct or operate any
14 project for profit, or as a source of revenue to a city,
15 village, incorporated town or county. To this end an Authority
16 shall fix the rentals for dwellings in its projects at no
17 higher rates than it shall find to be necessary in order to
18 produce revenues which (together with all other available
19 moneys, revenues, income and receipts of the Authority from
20 whatever sources derived) will be sufficient (a) to pay, as the
21 same becomes due, the principal and interest on the bonds of
22 the Authority; (b) to meet and provide for the cost of
23 maintaining and operating the projects (including the cost of
24 any insurance on the projects or bonds issued therefor) and the
25 administrative expenses of the Authority; (c) to create (during

1 not less than the ten years immediately succeeding its issuance
2 of any bonds) a reserve sufficient to meet the large principal
3 and interest payments which will be due on bonds in any 2
4 consecutive years thereafter, and to maintain a reserve; and
5 (d) to create a reasonable reserve solely from any
6 contributions or grants to the Authority from the federal
7 government, the State, or any political subdivision of the
8 State for the purpose of meeting the cost of maintaining and
9 operating the project and of paying the principal and interest
10 on its bonds. The management of low-rent public housing
11 projects financed and developed under the U.S. Housing Act of
12 1937, as now or hereafter amended, shall be in accordance with
13 the provisions of that Act. The provisions of this Section 24
14 shall not apply to any project undertaken pursuant to the
15 additional powers conferred in Section 8.2 upon housing
16 authorities in any municipality having a population in excess
17 of 1,000,000 pursuant to this amendatory Act of the 95th
18 General Assembly.

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

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