



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

**HB4661**

by Rep. Thaddeus Jones

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Local Government Stabilization Authority Act. Authorizes the corporate authorities of Calumet Township, Thornton Township, and Bremen Township to create, by ordinance, a Local Government Stabilization Authority that shall use available funds to facilitate the return of vacant, abandoned, and tax-delinquent properties to productive use, combatting community deterioration, and creating economic growth. Provides definitions. Sets forth procedure regarding the creation of an Authority and funding sources. Further provides for the following: (1) an Authority's tax-exempt status; (2) the appointment of the Board of Directors and Chairperson, their terms of office, their removal, and vacancies; (3) the responsibilities and powers of the Board of Directors; and (4) an Executive Director to administer an Authority on a day-to-day basis. Sets forth the powers of an Authority to implement the purpose of the Act, including the authority to borrow money, enter into partnerships and joint ventures, and contract for goods and services. Permits an Authority to acquire, hold, manage, and dispose of real property. Requires an Authority to prepare an annual budget and provide annual financial statements and reports to the corporate authorities. Permits the corporate authorities to dissolve an Authority and provides requirements regarding the transfer of an Authority's debts, liabilities, and obligations. Effective immediately.

LRB099 19449 AWJ 43841 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 1. Short title. This Act may be cited as the Local  
5 Government Stabilization Authority Act.

6 Section 5. Purpose. The purpose of this Act is to implement  
7 a pilot program and create Local Government Stabilization  
8 Authorities that shall use available resources to facilitate  
9 the return of vacant, abandoned, and tax-delinquent properties  
10 to productive use thereby combating community deterioration,  
11 creating economic growth, and stabilizing the housing and job  
12 market.

13 An Authority shall acquire, hold, and transfer interest in  
14 real property throughout the township, as approved by the Board  
15 of Directors for the following purposes, in a way that is  
16 consistent with the goals and priorities established by this  
17 Act:

18 (a) to promote redevelopment and reuse of vacant,  
19 abandoned, and tax-delinquent properties; and

20 (b) to support targeted efforts to stabilize  
21 neighborhoods;

22 (c) to stimulate residential, commercial and  
23 industrial development; and

1 (d) to repair and renovate the homes of senior citizens  
2 that have deteriorated over time.

3 Section 7. Applicability. This Act shall apply only to  
4 Calumet Township, Thornton Township, and Bremen Township in  
5 Cook County.

6 Section 10. Definitions. The following words and terms  
7 shall have the meanings set forth in this Act, except where  
8 otherwise specifically indicated:

9 "Authority" means a Local Government Stabilization  
10 Authority.

11 "Board of Directors" means the Board of Directors of a  
12 Local Government Stabilization Authority.

13 "Chairperson" means the chairperson of a Local Government  
14 Stabilization Authority Board.

15 "Corporate authorities" means the board of trustees of  
16 Calumet Township, Thornton Township, or Bremen Township.

17 "Director" means the Executive Director of a Local  
18 Government Stabilization Authority.

19 "Fiscal Year" means the fiscal year of a Local Government  
20 Stabilization Authority, which shall begin on December 1st of  
21 each year and end on the following November 30th.

22 "Member" means a member of a Board of Directors.

23 "Person" means any individual, corporation, limited  
24 liability corporation, organization, government, governmental

1 subdivision or agency, business trust, estate, trust,  
2 partnership, association, and any other legal entity.

3 "Real estate broker" has the meaning ascribed to it under  
4 the Real Estate License Act of 2000.

5 "Real Property" means all land and the buildings thereon,  
6 all things permanently attached to land or to the buildings  
7 thereon, and any interest existing in, issuing out of, or  
8 dependent upon land or the buildings thereon.

9 Section 15. Creation; funding; assets.

10 (a) The corporate authorities may, by ordinance, establish  
11 a Local Government Stabilization Authority to be an agency of  
12 the township. All personnel, facilities, equipment, and  
13 supplies within the Authority shall be governed by a Board of  
14 Directors as provided herein. The Board of Directors shall be  
15 accountable to the corporate authorities.

16 (b) A Local Government Stabilization Authority shall apply  
17 for funding in the sum of up to \$2,000,000 from the Abandoned  
18 Residential Property Municipality Relief Program under Section  
19 7.31 of the Illinois Housing Development Act. The Authority may  
20 apply for funding from other State and federal programs, at the  
21 discretion of the Authority.

22 (c) Except as otherwise provided in this Act, the corporate  
23 authorities shall hold title to all Real Property controlled by  
24 an Authority.

1           Section 20. Tax-exempt status. The activities of the  
2 Authority pursuant to this Act are governmental functions  
3 carried out by an instrumentality or political subdivision of  
4 the State as described in Section 115 of Title 26 of the United  
5 States Internal Revenue Code, or any corresponding provisions  
6 of any future tax code. The activities of the Authority shall  
7 be construed as governmental functions carried out by a  
8 political subdivision of this State, exempt to the extent  
9 provided under Illinois law from taxation by this State,  
10 including, but not limited to, ad valorem property tax  
11 exemption pursuant to the Property Tax Code.

12           Section 25. Authority Board of Directors; appointment. The  
13 Authority shall be governed by a Board of Directors that shall  
14 be appointed by the township supervisor, subject to approval by  
15 the corporate authority, within 45 days of the adoption of an  
16 ordinance pursuant to subsection (a) of Section 15 of this Act.  
17 The Board of Directors shall be residents of the township. The  
18 Board of Directors shall consist of 12 members.

19           Candidates for the Board of Directors appointed by the  
20 corporate authorities shall be selected from the following  
21 categories:

22           (1) One corporate authority board member to serve as an  
23 ex-officio member with voting rights. The ex-officio  
24 member shall serve as a liaison between the corporate  
25 authority and the Board of Directors;

1           (2) One representatives recommended by the township  
2           supervisor;

3           (3) One representative from the local economic  
4           development community;

5           (4) One representative from the banking community; and

6           (5) One representative from a local or State Realtor  
7           Association.

8           Section 30. Term of office. Except as otherwise provided in  
9           this Section, the members of the Board of Directors appointed  
10          under Section 25 shall be appointed for the duration of the  
11          pilot program under this Act.

12          Section 35. Chairperson; members of the Board of Directors.

13          (a) The Board of Directors shall annually elect a  
14          Chairperson from among the members.

15                 (1) The Chairperson shall preside at meetings of the  
16                 Board of Directors and is entitled to vote on all matters  
17                 before the Board of Directors.

18                 (2) A member may be elected to serve successive terms  
19                 as Chairperson.

20          (b) The Board of Directors may appoint, from its members, a  
21          member to serve as the Authority secretary and such additional  
22          officers from its members as it may deem appropriate.

23          Section 40. Removal. A member may be removed by the

1 corporate authorities prior to the expiration of the member's  
2 term of appointment for good cause. Good cause includes  
3 inefficiency, neglect of duty, malfeasance, or any cause which  
4 renders the member unfit for the position or unable to perform  
5 the duties of the position. The corporate authorities shall  
6 provide written notice to that member and the Chairperson of  
7 the Board of the removal of that member from the Board of  
8 Directors. The notice shall state the specific grounds which  
9 constitute cause for removal. The member, in receipt of this  
10 notice, may request to appear before the corporate authorities  
11 and present reasons in support of his or her retention.  
12 Thereafter, the corporate authorities shall vote upon whether  
13 there are sufficient grounds to remove that member from office.  
14 The township clerk shall notify the member of the final action  
15 of the corporate authorities.

16 Section 45. Vacancies. Any vacancy on the Board of  
17 Directors caused by death, resignation, disqualification, or  
18 removal shall be filled by the corporate authorities as soon as  
19 practicable, but not to exceed 60 days following the occurrence  
20 of the vacancy. The vacancy shall be filled for the remainder  
21 of the unexpired term in the same manner as the original  
22 appointment.

23 Section 50. Meetings. The Board of Directors shall conduct  
24 its first meeting no later than 60 days after the appointment

1 of the Board of Directors. The place, date, and time of the  
2 Authority meetings shall be determined at the discretion of the  
3 Board of Directors. All meetings of the Board of Directors  
4 shall comply with the Open Meetings Act.

5 Section 55. Bylaws; policies; procedures. The Board of  
6 Directors shall adopt bylaws, procedures and policies  
7 consistent with the provisions of this Act within 120 days  
8 after the first meeting of the Board of Directors.

9 Section 60. Quorum and voting. A quorum shall be necessary  
10 for the transaction of any business by the Board of Directors.  
11 A majority of the members of the Board of Directors shall  
12 constitute a quorum. The Board of Directors shall act by a  
13 majority vote of the members at a meeting at which a quorum is  
14 present, except as otherwise provided in this Act. Presence for  
15 both quorum and voting at an Authority meeting shall be  
16 articulated by the Board of Directors in its bylaws or  
17 procedures in a manner consistent with the Open Meetings Act.

18 Section 65. Records of meetings. Minutes of all meetings of  
19 the Board of Directors and its Committees shall be made and  
20 maintained as required by the Open Meetings Act.

21 Section 70. Board of Directors; responsibilities. The  
22 Board of Directors shall ensure:



1 (a) that all personnel matters are conducted free from any  
2 political interference and in accordance with the provisions of  
3 the Supplemental Relief Order and Consent Decree established in  
4 the federal civil litigation filed in the Northern District of  
5 Illinois under Case No. 69 C 2145 and titled Shakman, et al. v.  
6 Democratic Organization, et al. and all applicable laws;

7 (b) that all operations, including contractual matters,  
8 are conducted free from any political interference; and

9 (c) efficiency in service delivery and sound fiscal  
10 management of all aspects of the Authority including the  
11 collection of all revenues from all sources.

12 Section 75. Board of Directors; actions. The Board of  
13 Directors shall do all of the following that is consistent with  
14 Illinois law:

15 (a) adopt, amend, or repeal rules and policies and  
16 procedures governing the Board of Directors and its actions and  
17 meetings, and adopt, amend, or repeal policies and procedures  
18 to implement day-to-day operation of the Authority, including  
19 policies governing any staff of the Authority;

20 (b) elect additional officers, including, but not limited  
21 to, initial officers who shall be elected at the first meeting  
22 of the Board of Directors in accordance with the bylaws;

23 (c) provide for a system of accounting;

24 (d) adopt or amend the Authority's budget to submit  
25 annually to the corporate authorities for approval and adoption

1 in a time frame mandated by the corporate authorities;

2 (e) adopt, amend, or repeal policies and procedures for  
3 contracting and procurement which must be consistent with the  
4 provisions set forth in the local Code;

5 (f) commission, collect, and receive data from public,  
6 private, professional, and volunteer sources to compile an  
7 inventory and analysis of desirable properties for acquisition;

8 (g) establish banking arrangements for the Authority  
9 pursuant to Section 160 of this Act; and

10 (h) organize and reorganize the executive, administrative,  
11 clerical, and other departments of the Authority and fix the  
12 duties, powers, and compensation of all employees, agents, and  
13 consultants of the Authority.

14 Section 80. Fiduciary duty. The members of the Board of  
15 Directors are under a fiduciary duty to conduct the activities  
16 and affairs of the Authority in the best interests of the  
17 residents of the township, including the safekeeping and use of  
18 all Authority moneys and assets. The members of the Board of  
19 Directors shall discharge their duties in good faith, with the  
20 care an ordinarily prudent person in a like position would  
21 exercise under similar circumstances.

22 Section 85. Compensation. The members of the Board of  
23 Directors shall receive no compensation for the performance of  
24 their duties. A member may engage in private or public

1 employment, or in a profession or business, except to the  
2 extent prohibited by Illinois law or local ordinance. The  
3 Authority may reimburse members of the Board of Directors for  
4 actual and necessary expenses incurred in the discharge of  
5 their official duties, as provided by the Board of Directors.

6 Section 90. Executive Director. The Board of Directors may  
7 retain the professional services of an individual to perform  
8 the duties of an Executive Director on a contractual basis with  
9 the advice and consent of the corporate authorities. The  
10 Executive Director shall not be an employee of the Authority or  
11 of the township. The Director shall administer the Authority in  
12 accordance with the operating budget approved by the corporate  
13 authorities, general policy guidelines established by the  
14 Board of Directors, other applicable governmental procedures  
15 and policies, and this Act.

16 The Director shall be responsible for the day-to-day  
17 operations of the Authority, the control, management, and  
18 oversight of the Authority's functions, and supervision of all  
19 of the Authority's contractual agreements. All terms and  
20 conditions of the Director's service shall be specified in a  
21 written contract between the Director and the Board of  
22 Directors. The Director may be removed by the corporate  
23 authorities or the Board of Directors for good cause prior to  
24 the expiration of the Director's contract. Good cause includes  
25 inefficiency, neglect of duty, malfeasance, or any cause which

1 renders the Director unfit or unable to perform the scope of  
2 work. The Board of Directors may delegate to the Director any  
3 powers or duties it considers proper under terms, conditions,  
4 and to the extent that the Board of Directors may specify.

5 Section 95. Staffing services. The Board of Directors may  
6 approve contracts for staffing as requested by the Executive  
7 Director that are deemed necessary to carry out the duties and  
8 responsibilities of the Authority and in accordance with the  
9 policies and procedures established by the Board. Such staff  
10 shall be retained pursuant to contracts entered into in  
11 accordance with the procurement rules established by the Board.

12 Section 100. Ethics. The Board of Directors shall be  
13 subject to the all State of Illinois ethics laws.

14 Section 105. Indemnification.

15 (a) The township shall defend and indemnify the Authority  
16 and the members of the Board of Directors with respect to all  
17 claims or judgments arising out of their activities as members  
18 with respect to all negligence claims, and claims or judgments  
19 arising out of the Authority's activities performed on behalf  
20 of the township.

21 (b) The township shall not be obligated to indemnify the  
22 Authority or a member for:

23 (1) Punitive damages or liability arising out of

1 conduct that is willful or wanton.

2 (2) Conduct that is outside the scope of the  
3 Authority's authority.

4 (3) Any settlement or judgment in which the township  
5 did not participate.

6 (4) The defense of any criminal or disciplinary  
7 proceeding.

8 Section 110. General powers. The Authority has the power to  
9 do all things necessary or convenient to implement the  
10 purposes, objectives, and provisions of this Act including, but  
11 not limited to, the following:

12 (a) adopt, amend, and repeal bylaws for the regulation of  
13 its affairs and the conduct of its business;

14 (b) acquire by purchase, donation, or other transfers and  
15 to hold, lease, manage, and dispose of Real Property of every  
16 kind and character, or any interest therein, in furtherance of  
17 the public purposes of the Authority;

18 (c) discharge and extinguish Real Property taxes owed to  
19 the township, or to a Party, pursuant to an agreement with such  
20 Party, that encumber Real Property owned by the these entities  
21 through the Authority, as permitted by the Property Tax Code or  
22 other applicable law;

23 (d) pay any tax or special assessment due on Real Property  
24 acquired or owned by the Authority;

25 (e) acquire, accept, or retain equitable interests,

1 security interests, or other interests in any Real Property or  
2 other fixtures by loan agreement, note, mortgage, deed to  
3 secure debt, trust deed, security agreement, assignment,  
4 pledge, conveyance, contract, lien, or other consensual  
5 transfer in order to secure the repayment of any moneys loaned  
6 or credit extended by the Authority;

7 (f) borrow money from private lenders, from municipalities  
8 or counties, from the State or from federal government funds,  
9 subject to the approval of the corporate authorities, to  
10 further or carry out the Authority's public purpose by  
11 executing leases, trust indentures, trust agreements,  
12 agreements for the sale notes, loan agreements, mortgages,  
13 deeds to secure debt, trust deeds, security agreements,  
14 assignments, and other agreements or instruments as may be  
15 necessary or desirable, in the judgment of the Authority, to  
16 evidence and to provide security for such borrowing;

17 (g) apply directly or indirectly to any federal, state,  
18 county, or municipal government or agency, or to any other  
19 source, whether public or private, for loans, grants, gifts,  
20 guarantees, labor, or other aid or financial assistance in  
21 furtherance of the Authority's public purpose and to accept and  
22 use the same upon such terms and conditions as are prescribed  
23 by such federal, state, county, municipal government or agency,  
24 or other source;

25 (h) enter into agreements with the federal government or  
26 any agency thereof to use the facilities or services of the

1 federal government or any agency thereof in order to further or  
2 carry out the public purposes of the Authority;

3 (i) as security for repayment of any note, or other  
4 obligations of the Authority, to pledge, mortgage, convey,  
5 assign, hypothecate, or otherwise encumber any property of the  
6 Authority, including, but not limited to, Real Property,  
7 fixtures, and revenues or other funds, and to execute any  
8 lease, trust indenture, trust agreement, agreement for the sale  
9 of the Authority's notes, or other obligations, loan agreement,  
10 mortgage, deed to secure debt, trust deed, security agreement,  
11 assignment, or other agreement or instrument as may be  
12 necessary or desirable, in the judgment of the Authority, to  
13 secure any such notes, or other obligations, which instruments  
14 or agreements may provide for foreclosure or forced sale of any  
15 Real Property of the Authority upon default in any obligation  
16 of the Authority, either in payment of principal, premium, if  
17 any, or interest or in the performance of any term or condition  
18 contained in any such agreement or instrument;

19 (j) receive and administer gifts, grants, and bequests of  
20 money and Real Property consistent with the purpose of the  
21 Authority;

22 (k) use any Real Property or fixtures or any interest  
23 therein or to rent, license or lease such Real Property to or  
24 from others or make contracts with respect to the use thereof,  
25 or to sell, lease, exchange, transfer, assign, pledge, or  
26 otherwise dispose of or grant options for any such Real

1 Property in any manner as it deems to be in the best interests  
2 of the Authority and the public purpose thereof;

3 (l) procure insurance or guarantees from the State or  
4 federal government of the payments of any debts or parts  
5 thereof incurred by the Authority, and to pay premiums in  
6 connection therewith;

7 (m) procure, if required, insurance against losses in  
8 connection with the Real Property, assets, or activities of the  
9 Authority;

10 (n) enter into contracts and other instruments necessary,  
11 incidental, or convenient to the performance of its duties and  
12 the exercise of its powers, including, but not limited to, an  
13 agreement with a Party for the joint exercise of powers. An  
14 agreement with a Party may include contracts for the  
15 performance of services by a Party on behalf of the Authority  
16 or by the Authority on behalf of a Party;

17 (o) enter into partnerships, joint ventures, and other  
18 collaborative relationships with municipalities and other  
19 public and private entities for the ownership, management,  
20 development, and disposition of Real Property;

21 (p) to enter into contracts and other instruments  
22 necessary, incidental, or convenient to the performance of its  
23 duties and the exercise of its powers, including, but not  
24 limited to, agreements with a Party regarding the disposition  
25 of Authority properties located within their boundaries;

26 (q) finance, by loan, grant, lease, or otherwise,



1 refinance, construct, erect, assemble, purchase, acquire, own,  
2 repair, remodel, rehabilitate, modify, maintain, extend,  
3 improve, install, sell, equip, expand, add to, operate, or  
4 manage Real Property or rights or interests in Real Property,  
5 and to pay the costs of any such project from the proceeds of  
6 revenue bonds, loans by persons, corporations, partnerships,  
7 whether limited or general, or other entities, all of which the  
8 Authority is authorized to receive, accept, and use;

9 (r) fix, charge, and collect rents, fees, licenses and  
10 charges for the use of Real Property of the Authority and for  
11 services provided by the Authority;

12 (s) grant or acquire a license, easement, lease (as lessor  
13 or lessee), or option with respect to Real Property of the  
14 Authority;

15 (t) enter into contracts with nonprofit community land  
16 trusts, including, but not limited to, long-term lease  
17 contracts;

18 (u) contract for goods and services and engage personnel as  
19 necessary, to be paid from the funds of the Authority. The  
20 Board shall determine the qualifications, duties, and  
21 compensation of those it contracts with and employs;

22 (v) organize and reorganize the executive, administrative,  
23 clerical, and other departments of the Authority and to fix the  
24 duties, powers, and compensation of all employees, agents, and  
25 consultants of the Authority;

26 (w) remediate environmental contamination on any Real

1 Property held by the Authority;

2 (x) acquire, hold, and manage property pursuant to this  
3 Act;

4 (y) dispose of property pursuant to this Act;

5 (z) promulgate rules regarding the procurement of  
6 contracts and services of local real estate brokers and  
7 construction crews pursuant to Section 160 of this Act;

8 (aa) submit a redevelopment plan to a municipality with a  
9 redevelopment project area and comply with any requirements of  
10 the municipality with regard to that plan; and

11 (bb) to do all other things necessary or convenient to  
12 achieve the objectives and purposes of the Authority or other  
13 laws that relate to the purposes and responsibilities of the  
14 Authority.

15 Section 115. No waiver of governmental immunity. Nothing in  
16 this Act is intended, nor shall be construed, as a waiver by  
17 the township enacting an ordinance that creates an Authority  
18 under this Act of any governmental immunity provided under any  
19 applicable law.

20 Section 120. Non-discrimination. The Authority shall  
21 comply with all applicable laws prohibiting discrimination.

22 Section 125. Acquisition of real property.

23 (a) The Authority shall procure the services of local real

1 estate brokers pursuant to Section 160 of this Act to assist in  
2 the acquisition of real property under this Section.

3 (b) The Authority may acquire real property or rights or  
4 interests in real property by gift, bequest, transfer,  
5 exchange, foreclosure, purchase, purchase contracts, lease  
6 purchase agreements, installment sales contracts, land  
7 contracts, tax sale, scavenger sale or otherwise, on terms and  
8 conditions and in a manner the Authority considers proper.

9 (c) The Authority may acquire any property conveyed to it  
10 by this State, a foreclosing governmental unit, a unit of local  
11 government, an intergovernmental entity created under the laws  
12 of this State, or any other public or private person,  
13 including, but not limited to, property without clear title.

14 (d) All deeds, mortgages, contracts, leases, purchases, or  
15 other agreements regarding property of the Authority,  
16 including agreements to acquire or dispose of real property,  
17 shall be approved by and executed by the Authority, in the name  
18 of the township.

19 (e) The Authority shall have the right to purchase  
20 properties in the name of the township at tax sales conducted  
21 in accordance with the Property Tax Code. The Authority may  
22 tender a bid at a tax sale that is a credit bid, consisting of  
23 the obligation of the Authority to satisfy the component parts  
24 of the bid by payments to the respective political  
25 subdivisions.

26 (f) The Authority shall have the right to make offers to

1 purchase properties that are subject to a listing agreement;  
2 said offer or purchase of a property by the Authority that is  
3 subject to a listing agreement shall not extinguish any legal  
4 rights existing under the listing agreement.

5 Section 130. Holding and managing property. The Authority  
6 may control, manage, maintain, operate, repair, lease as  
7 lessor, license, secure, prevent the waste or deterioration of,  
8 demolish, and take all other actions necessary to preserve the  
9 value of the Real Property it controls on behalf of the  
10 township. The Authority shall maintain all Real Property held  
11 by the Authority in accordance with applicable laws and codes.  
12 Real Property shall be inventoried and classified by the  
13 Authority according to suitability for use. The inventory shall  
14 be maintained as a public record and shall be filed  
15 electronically and in the principal office of the Authority.

16 Section 135. Property disposition. On terms and  
17 conditions, and in a manner and for an amount of consideration  
18 that the Authority considers proper, fair, and reasonable,  
19 including for no monetary consideration if appropriate, the  
20 Authority may convey, sell, transfer, exchange, lease as  
21 lessor, or otherwise dispose of Real Property or rights or  
22 interests in Real Property that the Authority controls and the  
23 township holds a legal interest to any public or private  
24 person. The transfer and use of property under this Section and

1 the exercise by the Authority of powers and duties under this  
2 Act shall be considered a necessary public purpose and for the  
3 benefit of the public.

4 Section 140. Criteria for conveyance. Real Property shall  
5 be conveyed by the Authority in accordance with this Act and  
6 according to criteria determined in the discretion of the Board  
7 and contained in the policies and procedures adopted by the  
8 Board. The Board may adopt policies and procedures that set  
9 forth priorities for a transferee's use of Real Property  
10 conveyed by the Authority, including, but not limited to,  
11 affordable housing.

12 Section 145. Transactions. Transactions shall be  
13 structured in a manner that permits the Authority to enforce  
14 contractual agreements, real covenants, and the provisions of  
15 any subordinate financing held by the Authority pertaining to  
16 development and use of the Real Property.

17 Section 150. Disposition of proceeds. Any proceeds from the  
18 sale or transfer of Real Property by the Authority shall be  
19 retained, expended, or transferred by the Authority as  
20 determined by the Board in the best interests of the Authority  
21 and in accordance with applicable laws and agreements.

22 Section 155. Intergovernmental agreements.

1           (a) The Board of Directors may negotiate and propose  
2 agreements necessary, incidental, or convenient to the  
3 performance of its duties and the exercise of its powers with  
4 any unit of local government subject to the approval of the  
5 corporate authorities. An agreement may include, but is not be  
6 limited to, contracts for the joint exercise of powers,  
7 contracts for the ownership, management, development, and  
8 disposition of Real Property, or contracts for the performance  
9 of services by a local unit of government on behalf of the  
10 Authority or by the Authority on behalf of a local unit of  
11 government.

12           (b) The parties to the intergovernmental agreements shall  
13 agree that no party to an intergovernmental agreement shall be  
14 responsible, in whole or in part, for the acts of the  
15 employees, agents, and servants of any other party, whether  
16 acting separately or in conjunction with the implementation of  
17 an agreement. The parties shall only be bound and obligated  
18 under an agreement as expressly agreed to by each party.

19           (c) All agreements shall in all respects be interpreted,  
20 enforced, and governed under the laws of the State of Illinois  
21 without regard to the doctrines of conflict of laws. The  
22 language of all parts of an agreement shall in all cases be  
23 construed as a whole according to its plain and fair meaning,  
24 and not construed strictly for or against any Party.

25           (d) All agreements with municipalities shall include  
26 language that the municipality consents to participation in the

1 pilot program under this Act.

2 Section 160. Procurement. The Authority shall promulgate  
3 rules regarding the procurement of contracts and services of  
4 local real estate brokers and construction crews.

5 (a) Real estate brokers. The Authority shall contract the  
6 services of 15 real estate brokers to sell or list homes after  
7 they are repaired under this Act. Bidding shall occur at an  
8 open meeting convened by the Authority in accordance with the  
9 Open Meetings Act. A real estate broker shall possess a real  
10 estate broker's license and shall be in good standing with the  
11 Department of Financial and Professional Regulation.

12 For purposes of this Section, "local" means having a  
13 principal place of business within the boundaries of Calumet  
14 Township, Thornton Township, or Bremen Township in Cook County.

15 (b) Construction crews. The Authority shall contract the  
16 services of construction crews composed of students from  
17 construction programs with an accredited community college or  
18 institute of higher education located within the boundaries of  
19 the township.

20 Section 165. Records. The Authority shall keep and maintain  
21 at the principal office of the Authority all documents and  
22 records of the Authority. The records of the Authority, which  
23 shall be available to the public, shall include, but not be  
24 limited to, a copy of this Act, a copy of the ordinance

1 creating the Authority, the Authority's bylaws, and any  
2 agreements and amendments, as applicable. The records and  
3 documents shall be maintained and shall be delivered to any  
4 successor entity.

5 Section 170. Financial statements and quarterly reports.

6 (a) The Authority shall prepare, at the Authority's  
7 expense, audited financial statements, including a balance  
8 sheet, statement of revenue and expense, statement of cash  
9 flows, and changes in fund balance, on an annual basis. This  
10 financial statements shall be prepared in accordance with  
11 generally accepted accounting principles and accompanied by a  
12 written opinion of an independent certified public accounting  
13 firm.

14 (b) The Authority shall submit reports under this Section  
15 to the Illinois Housing Development Authority. The reports  
16 shall include: (1) the number of foreclosed properties in the  
17 township; (2) the number of properties acquired pursuant to the  
18 pilot program under this Act; (3) the number of projects  
19 completed to date under the pilot program; and (4) financial  
20 details regarding the cost of the projects, the amount a  
21 project sold for, and whether there exists a net gain or loss  
22 for the Authority.

23 Section 175. Annual budget.

24 (a) The Authority shall prepare an annual budget in a



1 manner and under a time frame mandated by the corporate  
2 authorities.

3 (b) The obligations and expenditures of the Board of  
4 Directors shall conform to the any applicable local  
5 appropriation ordinance, provided that the corporate  
6 authorities retain the authority to impose additional  
7 limitations. Any commitment, contract or other obligation  
8 entered into by the Board in derogation of this Section shall  
9 be voidable by the corporate authorities and the Illinois  
10 Housing Development Authority.

11 Section 180. Deposits and investments. The Authority shall  
12 deposit funds of the Authority in a special fund to be held by  
13 the treasurer of the township, designated as the "Local  
14 Government Stabilization Authority Fund" and expended  
15 exclusively for the operation of the Authority.

16 Section 185. Disbursements. Expenditures of funds from the  
17 Local Government Stabilization Authority Fund shall be in  
18 accordance with guidelines established by the Board of  
19 Directors.

20 Section 190. Performance objectives. Each Fiscal Year, the  
21 Director, or other individual designated by the Board of  
22 Directors, shall prepare, for review and approval by the Board  
23 of Directors, objectives for the Authority's performance.

1 Section 195. Annual report.

2 (a) The Board of Directors shall submit to the corporate  
3 authorities, within 6 months after the end of each Fiscal Year,  
4 a report that shall set forth a complete and detailed operating  
5 and financial statement of the Authority during such Fiscal  
6 Year.

7 (b) Included in the report shall be any recommendations for  
8 additional legislation or other action that may be necessary to  
9 carry out the mission, purpose, and intent of the Authority.

10 Section 200. Management of funds. The Director, or other  
11 individual designated by the Board of Directors, is authorized  
12 to make deposits and withdraw funds from the Local Government  
13 Stabilization Authority Fund for the management of sales  
14 proceeds, revenue, and other Authority funds as authorized by  
15 the Board of Directors. Standard accounting procedures shall be  
16 used in the management of accounts and approved by the  
17 corporate authorities.

18 Section 205. Authorized expenditures. The Authority shall  
19 in its sole discretion and within its budget, expend funds as  
20 necessary to carry out the powers, duties, functions, and  
21 responsibilities of an Authority under this Act.

22 Section 210. Dissolution of assets. Upon determining that

1 the purposes of the Authority have been completed and that  
2 there is no longer a need for the Authority's continued  
3 existence, the corporate authorities may repeal the enacting  
4 ordinance and dissolve the Authority provided, however, that  
5 the effective date of a repeal shall provide sufficient time  
6 for the Authority to carry out the provisions set forth in  
7 Section 190.

8 As soon as possible after notice of the repeal of this Act  
9 or the repeal of a local enacting ordinance, the Authority  
10 shall finish its affairs as follows:

11 (a) all of the Authority's debts, liabilities, and  
12 obligations to its creditors and all expenses incurred in  
13 connection with the termination of the Authority and  
14 distribution of its assets shall be paid first; and

15 (b) the remaining Real Property and personal property owned  
16 by the Authority, if any, shall be distributed to any successor  
17 entity, subject to approval by the corporate authorities. In  
18 the event that no successor entity exists, the remaining Real  
19 Property and personal property, and other assets of the  
20 Authority, shall become assets of the corporate authorities,  
21 unless provided otherwise in any applicable agreements.

22 Section 215. Interpretation. All powers granted to the  
23 Authority under this Act shall be interpreted broadly to  
24 effectuate the intent and purposes of this Act and not to serve  
25 as a limitation of powers.

1           Section 220. Severability. The provisions of this Act are  
2           severable under Section 1.31 of the Statute on Statutes.

3           Section 999. Effective date. This Act takes effect upon  
4           becoming law.