



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB4343

by Rep. Thaddeus Jones

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Local Government Stabilization Authority Act. Authorizes the corporate authorities of Bloom Township, Bremen Township, Calumet Township, Rich Township, and Thornton Township in Cook County to establish, 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.

LRB100 16289 AWJ 31412 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 Section 7. Applicability. This Act applies only to Bloom  
14 Township, Bremen Township, Calumet Township, Rich Township,  
15 and Thornton Township in Cook County.

16 Section 10. Definitions. As used in this Act, except where  
17 otherwise specifically indicated:

18 "Authority" means a Local Government Stabilization  
19 Authority.

20 "Board of Directors" means the Board of Directors of a  
21 Local Government Stabilization Authority.

1 "Chairperson" means the chairperson of a Local Government  
2 Stabilization Authority Board.

3 "Corporate authorities" means the board of trustees of  
4 Bloom Township, Bremen Township, Calumet Township, Rich  
5 Township, or Thornton Township.

6 "Director" means the Executive Director of a Local  
7 Government Stabilization Authority.

8 "Fiscal year" means the fiscal year of a Local Government  
9 Stabilization Authority, which begins on December 1 of each  
10 year and ends on the following November 30.

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

12 "Person" means any individual, corporation, limited  
13 liability corporation, organization, government, governmental  
14 subdivision or agency, business trust, estate, trust,  
15 partnership, association, and any other legal entity.

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

18 "Real property" means all land and the buildings thereon,  
19 all things permanently attached to land or to the buildings  
20 thereon, and any interest existing in, issuing out of, or  
21 dependent upon land or the buildings thereon.

22 Section 15. Creation; funding; assets.

23 (a) The corporate authorities may, by ordinance, establish  
24 a Local Government Stabilization Authority to be an agency of  
25 the township. All personnel, facilities, equipment, and

1 supplies within the Authority shall be governed by a Board of  
2 Directors as provided herein. The Board of Directors shall be  
3 accountable to the corporate authorities.

4 An Authority shall acquire, hold, and transfer interest in  
5 real property throughout the township, as approved by the Board  
6 of Directors for the following purposes, in a way that is  
7 consistent with Section 5 of this Act and the goals and  
8 priorities established by this Act:

9 (1) to promote redevelopment and reuse of vacant,  
10 abandoned, and tax-delinquent properties; and

11 (2) to support targeted efforts to stabilize  
12 neighborhoods;

13 (3) to stimulate residential, commercial and  
14 industrial development; and

15 (4) to repair and renovate the homes of senior citizens  
16 that have deteriorated over time.

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

23 (c) Except as otherwise provided in this Act, the corporate  
24 authorities shall hold title to all real property controlled by  
25 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 Code, or any corresponding provisions of any future tax  
6 code. The activities of the Authority shall be construed as  
7 governmental functions carried out by a political subdivision  
8 of this State that are exempt to the extent provided under  
9 Illinois law from taxation by this State, including, but not  
10 limited to, ad valorem property tax exemption pursuant to the  
11 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 authorities, within 45 days after adoption of an  
16 ordinance pursuant to subsection (a) of Section 15. The Board  
17 of Directors shall be residents of the township. The Board of  
18 Directors shall consist of 12 members.

19           The township supervisor shall include in his or her  
20 appointments to the Board of Directors members selected from  
21 the following categories:

22           (1) one member who is a board member of the corporate  
23 authorities to serve as an ex officio member with voting  
24 rights. The ex officio member shall serve as a liaison  
25 between the corporate authorities and the Board of

1 Directors;

2 (2) one member representing the local economic  
3 development community;

4 (3) one member representing the banking community; and

5 (4) one member representing a local or State realtor  
6 association.

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

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

12 (a) The Board of Directors shall annually elect a  
13 Chairperson from among the members. The Chairperson shall  
14 preside at meetings of the Board of Directors and is entitled  
15 to vote on all matters before the Board of Directors. A member  
16 may be elected to serve successive terms as Chairperson.

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

20 Section 40. Removal. A member may be removed by the  
21 corporate authorities prior to the expiration of the member's  
22 term of appointment for good cause. Good cause includes  
23 inefficiency, neglect of duty, malfeasance, or any cause that

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

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

20 Section 50. Meetings. The Board of Directors shall conduct  
21 its first meeting no later than 60 days after the appointment  
22 of the Board of Directors. The place, date, and time of the  
23 Authority meetings shall be determined at the discretion of the  
24 Board of Directors. All meetings of the Board of Directors

1 shall comply with the Open Meetings Act.

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

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

15 Section 65. Records of meetings. Minutes of all meetings of  
16 the Board of Directors and its committees shall be made and  
17 maintained as required by the Open Meetings Act.

18 Section 70. Board of Directors; responsibilities. The  
19 Board of Directors shall ensure:

20 (1) that all personnel matters are conducted free from  
21 any political interference and in accordance with the  
22 provisions of the Supplemental Relief Order and Consent



1 Decree established in the federal civil litigation filed in  
2 the Northern District of Illinois under Case No. 69 C 2145  
3 and titled Shakman, et al. v. Democratic Organization, et  
4 al. and all applicable laws;

5 (2) that all operations, including contractual  
6 matters, are conducted free from any political  
7 interference; and

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

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

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

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

24 (3) provide for a system of accounting;

25 (4) adopt or amend the Authority's budget to submit

1           annually to the corporate authorities for approval and  
2           adoption in a time frame mandated by the corporate  
3           authorities;

4           (5) adopt, amend, or repeal policies and procedures for  
5           contracting and procurement, which must be consistent with  
6           the provisions set forth in the local ordinances;

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

11          (7) establish banking arrangements for the Authority  
12          pursuant to Section 160 of this Act; and

13          (8) organize and reorganize the executive,  
14          administrative, clerical, and other departments of the  
15          Authority and fix the duties, powers, and compensation of  
16          all employees, agents, and consultants of the Authority.

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

25          The members of the Board of Directors shall not sell

1 property to the Authority or buy property held by the  
2 Authority.

3 Section 85. Compensation. The members of the Board of  
4 Directors shall receive no compensation for the performance of  
5 their duties. A member may engage in private or public  
6 employment, or in a profession or business, except to the  
7 extent prohibited by Illinois law or local ordinance. The  
8 Authority may reimburse members of the Board of Directors for  
9 actual and necessary expenses incurred in the discharge of  
10 their official duties, as provided by the Board of Directors.

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

21 The Director shall be responsible for the day-to-day  
22 operations of the Authority, the control, management, and  
23 oversight of the Authority's functions, and supervision of all  
24 of the Authority's contractual agreements. All terms and

1 conditions of the Director's service shall be specified in a  
2 written contract between the Director and the Board of  
3 Directors. The Director may be removed by the corporate  
4 authorities or the Board of Directors for good cause prior to  
5 the expiration of the Director's contract. Good cause includes  
6 inefficiency, neglect of duty, malfeasance, or any cause that  
7 renders the Director unfit or unable to perform the scope of  
8 work. The Board of Directors may delegate to the Director any  
9 powers or duties it considers proper under terms, conditions,  
10 and to the extent that the Board of Directors may specify.

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

18 Section 100. Ethics. The Board of Directors shall be  
19 subject to all State of Illinois ethics laws.

20 Section 105. Indemnification.

21 (a) The township shall defend and indemnify the Authority  
22 and the members of the Board of Directors with respect to all  
23 claims or judgments arising out of their activities as members

1 with respect to all negligence claims, and claims or judgments  
2 arising out of the Authority's activities performed on behalf  
3 of the township.

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

6 (1) Punitive damages or liability arising out of  
7 conduct that is willful or wanton.

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

10 (3) Any settlement or judgment in which the township  
11 did not participate.

12 (4) The defense of any criminal or disciplinary  
13 proceeding.

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

18 (1) adopt, amend, and repeal bylaws for the regulation  
19 of its affairs and the conduct of its business;

20 (2) acquire by purchase, donation, or other transfers  
21 and to hold, lease, manage, and dispose of real property of  
22 every kind and character, or any interest therein, in  
23 furtherance of the public purposes of the Authority;

24 (3) pay any tax or special assessment due on real  
25 property acquired or owned by the Authority;

1           (4) acquire, accept, or retain equitable interests,  
2 security interests, or other interests in any real property  
3 or other fixtures by loan agreement, note, mortgage, deed  
4 to secure debt, trust deed, security agreement,  
5 assignment, pledge, conveyance, contract, lien, or other  
6 consensual transfer in order to secure the repayment of any  
7 moneys loaned or credit extended by the Authority;

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

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

1           (7) enter into agreements with the federal government  
2           or any agency thereof to use the facilities or services of  
3           the federal government or any agency thereof in order to  
4           further or carry out the public purposes of the Authority;

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

22          (9) receive and administer gifts, grants, and bequests  
23          of money and real property consistent with the purpose of  
24          the Authority;

25          (10) use any real property or fixtures or any interest  
26          therein or to rent, license, or lease such real property to

1 or from others or make contracts with respect to the use  
2 thereof, or to sell, lease, exchange, transfer, assign,  
3 pledge, or otherwise dispose of or grant options for any  
4 such real property in any manner as it deems to be in the  
5 best interests of the Authority and the public purpose  
6 thereof;

7 (11) procure insurance or guarantees from the State or  
8 federal government of the payments of any debts or parts  
9 thereof incurred by the Authority, and to pay premiums in  
10 connection therewith;

11 (12) procure, if required, insurance against losses in  
12 connection with the real property, assets, or activities of  
13 the Authority;

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

22 (14) enter into partnerships, joint ventures, and  
23 other collaborative relationships with municipalities and  
24 other public and private entities for the ownership,  
25 management, development, and disposition of real property;

26 (15) enter into contracts and other instruments



1 necessary, incidental, or convenient to the performance of  
2 its duties and the exercise of its powers, including, but  
3 not limited to, agreements with a party regarding the  
4 disposition of Authority properties located within its  
5 boundaries;

6 (16) finance, by loan, grant, lease, or otherwise,  
7 refinance, construct, erect, assemble, purchase, acquire,  
8 own, repair, remodel, rehabilitate, modify, maintain,  
9 extend, improve, install, sell, equip, expand, add to,  
10 operate, or manage real property or rights or interests in  
11 real property, and to pay the costs of any such project  
12 from the proceeds of revenue bonds, loans by persons,  
13 corporations, partnerships, whether limited or general, or  
14 other entities, all of which the Authority is authorized to  
15 receive, accept, and use;

16 (17) fix, charge, and collect rents, fees, licenses and  
17 charges for the use of real property of the Authority and  
18 for services provided by the Authority;

19 (18) grant or acquire a license, easement, lease (as  
20 lessor or lessee), or option with respect to real property  
21 of the Authority;

22 (19) enter into contracts with nonprofit community  
23 land trusts, including, but not limited to, long-term lease  
24 contracts;

25 (20) contract for goods and services and engage  
26 personnel as necessary, to be paid from the funds of the

1 Authority. The Board shall determine the qualifications,  
2 duties, and compensation of those it contracts with and  
3 employs;

4 (21) organize and reorganize the executive,  
5 administrative, clerical, and other departments of the  
6 Authority and to fix the duties, powers, and compensation  
7 of all employees, agents, and consultants of the Authority;

8 (22) remediate environmental contamination on any real  
9 property held by the Authority;

10 (23) acquire, hold, and manage property pursuant to  
11 this Act;

12 (24) dispose of property pursuant to this Act;

13 (25) adopt rules regarding the procurement of  
14 contracts and services of local real estate brokers and  
15 construction crews pursuant to Section 160 of this Act;

16 (26) submit a redevelopment plan to a municipality with  
17 a redevelopment project area and comply with any  
18 requirements of the municipality with regard to that plan;  
19 and

20 (27) do all other things necessary or convenient to  
21 achieve the objectives and purposes of the Authority or  
22 other laws that relate to the purposes and responsibilities  
23 of the Authority.

24 To the extent that any power or duty of the Authority  
25 created under this Act conflicts with the powers or duties of a  
26 county or township official, the powers or duties of that

1 county or township official shall prevail.

2 Section 115. No waiver of governmental immunity. Nothing in  
3 this Act is intended, nor shall be construed, as a waiver by  
4 the township enacting an ordinance that creates an Authority  
5 under this Act of any governmental immunity provided under any  
6 applicable law.

7 Section 120. Non-discrimination. The Authority shall  
8 comply with all applicable laws prohibiting discrimination.

9 Section 125. Acquisition of real property.

10 (a) The Authority shall procure the services of local real  
11 estate brokers pursuant to Section 160 of this Act to assist in  
12 the acquisition of real property under this Section.

13 (b) The Authority may acquire real property or rights or  
14 interests in real property by gift, bequest, transfer,  
15 exchange, foreclosure, purchase, purchase contracts, lease  
16 purchase agreements, installment sales contracts, land  
17 contracts, tax sale, scavenger sale, or otherwise, on terms and  
18 conditions and in a manner the Authority considers proper.

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

1           (d) All deeds, mortgages, contracts, leases, purchases, or  
2 other agreements regarding property of the Authority,  
3 including agreements to acquire or dispose of real property,  
4 shall be approved by and executed by the Authority, in the name  
5 of the township.

6           (e) The Authority shall have the right to purchase  
7 properties in the name of the township at tax sales conducted  
8 in accordance with the Property Tax Code. The Authority may  
9 tender a bid at a tax sale that is a credit bid, consisting of  
10 the obligation of the Authority to satisfy the component parts  
11 of the bid by payments to the respective political  
12 subdivisions.

13           (f) The Authority has the right to make offers to purchase  
14 properties that are subject to a listing agreement; an offer or  
15 purchase of a property by the Authority that is subject to a  
16 listing agreement does not extinguish any legal rights existing  
17 under the listing agreement.

18           Section 130. Holding and managing property. The Authority  
19 may control, manage, maintain, operate, repair, lease as  
20 lessor, license, secure, prevent the waste or deterioration of,  
21 demolish, and take all other actions necessary to preserve the  
22 value of the real property it controls on behalf of the  
23 township. The Authority shall maintain all real property held  
24 by the Authority in accordance with applicable laws and codes.  
25 Real property shall be inventoried and classified by the

1 Authority according to suitability for use. The inventory shall  
2 be maintained as a public record and shall be filed  
3 electronically and in the principal office of the Authority.

4 Section 135. Property disposition. On terms and  
5 conditions, and in a manner and for an amount of consideration  
6 that the Authority considers proper, fair, and reasonable,  
7 including for no monetary consideration if appropriate, the  
8 Authority may convey, sell, transfer, exchange, lease as  
9 lessor, or otherwise dispose of real property or rights or  
10 interests in real property that the Authority controls and in  
11 which the township holds a legal interest to any public or  
12 private person. The transfer and use of property under this  
13 Section and the exercise by the Authority of powers and duties  
14 under this Act shall be considered a necessary public purpose  
15 and for the benefit of the public.

16 Section 140. Criteria for conveyance. Real property shall  
17 be conveyed by the Authority in accordance with this Act and  
18 according to criteria determined in the discretion of the Board  
19 and contained in the policies and procedures adopted by the  
20 Board. The Board may adopt policies and procedures that set  
21 forth priorities for a transferee's use of real property  
22 conveyed by the Authority, including, but not limited to,  
23 affordable housing.

1           Section 145. Transactions. Transactions shall be  
2 structured in a manner that permits the Authority to enforce  
3 contractual agreements, real covenants, and the provisions of  
4 any subordinate financing held by the Authority pertaining to  
5 development and use of the real property.

6           Section 150. Disposition of proceeds. Any proceeds from the  
7 sale or transfer of real property by the Authority shall be  
8 retained, expended, or transferred by the Authority as  
9 determined by the Board in the best interests of the Authority  
10 and in accordance with applicable laws and agreements.

11           Section 155. Intergovernmental agreements.

12           (a) The Board of Directors may negotiate and propose  
13 agreements necessary, incidental, or convenient to the  
14 performance of its duties and the exercise of its powers with  
15 any unit of local government subject to the approval of the  
16 corporate authorities. An agreement may include, but is not  
17 limited to, contracts for the joint exercise of powers,  
18 contracts for the ownership, management, development, and  
19 disposition of real property, or contracts for the performance  
20 of services by a local unit of government on behalf of the  
21 Authority or by the Authority on behalf of a local unit of  
22 government.

23           (b) The parties to the intergovernmental agreements shall  
24 agree that no party to an intergovernmental agreement shall be

1 responsible, in whole or in part, for the acts of the  
2 employees, agents, and servants of any other party, whether  
3 acting separately or in conjunction with the implementation of  
4 an agreement. The parties shall only be bound and obligated  
5 under an agreement as expressly agreed to by each party.

6 (c) All agreements shall in all respects be interpreted,  
7 enforced, and governed under the laws of the State of Illinois  
8 without regard to the doctrines of conflict of laws. The  
9 language of all parts of an agreement shall in all cases be  
10 construed as a whole according to its plain and fair meaning,  
11 and not construed strictly for or against any party.

12 (d) All agreements with municipalities shall include  
13 language that the municipality consents to participation in the  
14 pilot program under this Act.

15 Section 160. Procurement.

16 (a) The Authority shall adopt rules regarding the  
17 procurement of contracts and services of local real estate  
18 brokers and construction crews.

19 (b) The Authority shall contract for the services of 15  
20 real estate brokers to sell or list homes after they are  
21 repaired under this Act. Bidding shall occur at an open meeting  
22 convened by the Authority in accordance with the Open Meetings  
23 Act. A real estate broker shall possess a real estate broker's  
24 license and shall be in good standing with the Department of  
25 Financial and Professional Regulation.

1           As used in this Section, "local" means having a principal  
2 place of business within the boundaries of Bloom Township,  
3 Bremen Township, Calumet Township, Rich Township, or Thornton  
4 Township in Cook County.

5           (c) The Authority shall contract for the services of  
6 construction crews composed of students from construction  
7 programs with an accredited community college or institute of  
8 higher education located within the boundaries of the township.

9           Section 165. Records. The Authority shall keep and maintain  
10 at the principal office of the Authority all documents and  
11 records of the Authority. The records of the Authority, which  
12 shall be available to the public, shall include, but not be  
13 limited to, a copy of this Act, a copy of the ordinance  
14 creating the Authority, the Authority's bylaws, and any  
15 agreements and amendments, as applicable. The records and  
16 documents shall be maintained and shall be delivered to any  
17 successor entity.

18           Section 170. Financial statements and quarterly reports.

19           (a) The Authority shall prepare, at the Authority's  
20 expense, audited financial statements, including a balance  
21 sheet, statement of revenue and expense, statement of cash  
22 flows, and changes in fund balance, on an annual basis. These  
23 financial statements shall be prepared in accordance with  
24 generally accepted accounting principles and accompanied by a



1 written opinion of an independent certified public accounting  
2 firm.

3 (b) The Authority shall submit reports under this Section  
4 to the Illinois Housing Development Authority. The reports  
5 shall include: (1) the number of foreclosed properties in the  
6 township; (2) the number of properties acquired pursuant to the  
7 pilot program under this Act; (3) the number of projects  
8 completed to date under the pilot program; and (4) financial  
9 details regarding the cost of the projects, the amount a  
10 project sold for, and whether there exists a net gain or loss  
11 for the Authority.

12 Section 175. Annual budget.

13 (a) The Authority shall prepare an annual budget in a  
14 manner and under a time frame mandated by the corporate  
15 authorities.

16 (b) The obligations and expenditures of the Board of  
17 Directors shall conform to the any applicable local  
18 appropriation ordinance, provided that the corporate  
19 authorities retain the authority to impose additional  
20 limitations. Any commitment, contract, or other obligation  
21 entered into by the Board in derogation of this Section shall  
22 be voidable by the corporate authorities and the Illinois  
23 Housing Development Authority.

24 Section 180. Deposits and investments. The Authority shall

1 deposit funds of the Authority in a special fund to be held by  
2 the treasurer of the township, designated as the Local  
3 Government Stabilization Authority Fund and expended  
4 exclusively for the operation of the Authority.

5 Section 185. Disbursements. Expenditures of funds from the  
6 Local Government Stabilization Authority Fund shall be in  
7 accordance with guidelines established by the Board of  
8 Directors.

9 Section 190. Performance objectives. Each fiscal year, the  
10 Director, or other individual designated by the Board of  
11 Directors, shall prepare, for review and approval by the Board  
12 of Directors, objectives for the Authority's performance.

13 Section 195. Annual report.

14 (a) The Board of Directors shall submit to the corporate  
15 authorities, within 6 months after the end of each fiscal year,  
16 a report that shall set forth a complete and detailed operating  
17 and financial statement of the Authority during such fiscal  
18 year.

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

22 Section 200. Management of funds. The Director, or other

1 individual designated by the Board of Directors, is authorized  
2 to make deposits and withdraw funds from the Local Government  
3 Stabilization Authority Fund for the management of sales  
4 proceeds, revenue, and other Authority funds as authorized by  
5 the Board of Directors. Standard accounting procedures shall be  
6 used in the management of accounts and approved by the  
7 corporate authorities.

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

12 Section 210. Dissolution of assets. Upon determining that  
13 the purposes of the Authority have been completed and that  
14 there is no longer a need for the Authority's continued  
15 existence, the corporate authorities may repeal the enacting  
16 ordinance and dissolve the Authority; however, the effective  
17 date of a repeal shall provide sufficient time for the  
18 Authority to carry out the provisions set forth in Section 190.

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

22 (1) all of the Authority's debts, liabilities, and  
23 obligations to its creditors and all expenses incurred in  
24 connection with the termination of the Authority and

1 distribution of its assets shall be paid first; and  
2 (2) the remaining real property and personal property  
3 owned by the Authority, if any, shall be distributed to any  
4 successor entity, subject to approval by the corporate  
5 authorities. In the event that no successor entity exists,  
6 the remaining real property and personal property, and  
7 other assets of the Authority, shall become assets of the  
8 corporate authorities, unless provided otherwise in any  
9 applicable agreements.

10 Section 215. Interpretation. All powers granted to the  
11 Authority under this Act shall be interpreted broadly to  
12 effectuate the intent and purposes of this Act and not to serve  
13 as a limitation of powers.

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

16 Section 999. Effective date. This Act takes effect upon  
17 becoming law.