

SB0970



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
SB0970

Introduced 2/18/2005, by Sen. James T. Meeks - Emil Jones, Jr.

SYNOPSIS AS INTRODUCED:

310 ILCS 20/5

from Ch. 67 1/2, par. 57

Amends the Housing Development and Construction Act. Makes a technical change in a Section concerning the purposes for which grants to housing authorities may be used.

LRB094 04642 DRJ 34671 b

A BILL FOR

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 Development and Construction Act is
5 amended by changing Section 5 as follows:

6 (310 ILCS 20/5) (from Ch. 67 1/2, par. 57)

7 Sec. 5. Any grants paid hereunder to a housing authority
8 shall be deposited in a separate fund and ~~and~~, subject to the
9 approval of the Department of Commerce and Economic Opportunity
10 ~~Community Affairs~~, may be used for any or all of the following
11 purposes as the needs of the community may require: the
12 acquisition of land by purchase, gift or condemnation and the
13 improvement thereof, the purchase and installation of
14 temporary housing facilities, the construction of housing
15 units for rent or sale to veterans, the families of deceased
16 servicemen, and for persons and families who by reason of
17 overcrowded housing conditions or displacement by eviction,
18 fires or other calamities, or slum clearance or other private
19 or public project involving relocation, are in urgent need of
20 safe and sanitary housing, the making of grants in connection
21 with the sale or lease of real property as provided in the
22 following paragraph of this section, and for any and all
23 purposes authorized by the "Housing Authorities Act," approved
24 March 19, 1934, as amended, including administrative expenses
25 of the housing authorities in relation to the aforesaid
26 objectives, to the extent and for the purposes authorized and
27 approved by the Department of Commerce and Economic Opportunity
28 ~~Community Affairs~~. Each housing authority is vested with power
29 to exercise the right of eminent domain for the purposes
30 authorized by this Act. Condemnation proceedings instituted by
31 any such authority shall be in all respects in the manner
32 provided for the exercise of the right of eminent domain under

1 Article VII of the Code of Civil Procedure, as amended.

2 In addition to the foregoing, and for the purpose of
3 facilitating the development and construction of housing,
4 housing authorities may, with the approval of the Department of
5 Commerce and Economic Opportunity ~~Community Affairs~~, enter
6 into contracts and agreements for the sale or lease of real
7 property acquired by the Authority through the use of the grant
8 hereunder, and may sell or lease such property to (1) housing
9 corporations operating under "An Act in relation to housing,"
10 approved July 12, 1933, as amended; (2) neighborhood
11 redevelopment corporations operating under the "Neighborhood
12 Redevelopment Corporation Law," approved July 9, 1941; (3)
13 insurance companies operating under Article VIII of the
14 Illinois Insurance Code; (4) non-profit corporations organized
15 for the purpose of constructing, managing and operating housing
16 projects and the improvement of housing conditions, including
17 the sale or rental of housing units to persons in need thereof;
18 or (5) to any other individual, association or corporation,
19 including bona fide housing cooperatives, desiring to engage in
20 a development or redevelopment project. The term "corporation"
21 as used in this section, means a corporation organized under
22 the laws of this or any other state of the United States, or of
23 any country, which may legally make investments in this State
24 of the character herein prescribed, including foreign and alien
25 insurance companies as defined in Section 2 of the "Illinois
26 Insurance Code." No sale or lease shall be made hereunder to
27 any of the aforesaid corporations, associations or individuals
28 unless a plan approved by the Authority has been presented by
29 the purchaser or lessee for the development or redevelopment of
30 such property, together with a bond, with satisfactory
31 sureties, of not less than 10% of the cost of such development
32 or redevelopment, conditioned upon the completion of such
33 development or redevelopment; provided that the requirement of
34 the bond may be waived by the Department of Commerce and
35 Economic Opportunity ~~Community Affairs~~ if it is satisfied of
36 the financial ability of the purchaser or lessee to complete

1 such development or redevelopment in accordance with the
2 presented plan. To further assure that the real property so
3 sold or leased shall be used in accordance with the plan, the
4 Department of Commerce and Economic Opportunity Community
5 ~~Affairs~~ may require the purchaser or lessee to execute in
6 writing such undertakings as the Department deems necessary to
7 obligate such purchaser or lessee (1) to use the property for
8 the purposes presented in the plan; (2) to commence and
9 complete the building of the improvements designated in the
10 plan within the periods of time that the Department of Commerce
11 and Economic Opportunity Community ~~Affairs~~ fixes as
12 reasonable, and (3) to comply with such other conditions as are
13 necessary to carry out the purposes of this Act. Any such
14 property may be sold pursuant to this section for any legal
15 consideration in an amount to be approved by the Department of
16 Commerce and Economic Opportunity Community ~~Affairs~~. Subject
17 to the approval of the Department of Commerce and Economic
18 Opportunity Community ~~Affairs~~, a housing authority may pay to
19 any non-profit corporation of the character described in this
20 section from grants made available from state funds, such sum
21 of money which, when added to the value of the land so sold or
22 leased to such non-profit corporation and the value of other
23 assets of such non-profit corporation available for use in the
24 project, will enable such non-profit corporation to obtain
25 Federal Housing Administration insured construction mortgages.
26 Any such authority may also sell, transfer, convey or assign to
27 any such non-profit corporation any personal property,
28 including building materials and supplies, as it deems
29 necessary to facilitate the completion of the development or
30 redevelopment by such non-profit corporation.

31 If the area of operation of a housing authority includes a
32 city, village or incorporated town having a population in
33 excess of 500,000, as determined by the last preceding Federal
34 Census, no real property or interest in real property shall be
35 acquired in such municipality by the housing authority until
36 such time as the housing authority has advised the governing

1 body of such municipality of the description of the real
2 property, or interest therein, proposed to be acquired, and the
3 governing body of the municipality has approved the acquisition
4 thereof by the housing authority.

5 (Source: P.A. 90-418, eff. 8-15-97; revised 12-1-04.)