

1 AMENDMENT TO HOUSE BILL 2432

2 AMENDMENT NO. _____. Amend House Bill 2432, AS AMENDED,
3 as follows:

4 by replacing everything after the enacting clause with the
5 following:

6 "Section 5. The Housing Authorities Act is amended by
7 adding Section 8.4a and changing Sections 11, 17, and 21 as
8 follows:

9 (310 ILCS 10/8.4a new)

10 Sec. 8.4a. Additional powers. In addition to powers
11 conferred by this Act and other laws concerning housing
12 authorities, generally, an Authority for a municipality
13 having a population in excess of 1,000,000 may do any of the
14 following:

15 (a) Issue revenue bonds for the purpose of financing the
16 construction, equipping, or rehabilitation or refinancing of
17 multifamily rental housing and for the provision of capital
18 improvements in connection with and determined necessary to
19 the multifamily rental housing located within the
20 municipality having a population in excess of 1,000,000.

21 (b) Make or undertake commitments to make loans to

1 finance the construction, equipping, or rehabilitation or
 2 refinancing of multifamily rental housing located within the
 3 municipality having a population in excess of 1,000,000.

4 (c) Purchase or undertake, directly or indirectly
 5 through lending institutions, commitments to purchase,
 6 construction loans, and mortgage loans originated in
 7 accordance with a financing agreement with the Authority to
 8 finance the construction, equipping, or rehabilitation or
 9 refinancing of multifamily rental housing located within the
 10 municipality having a population in excess of 1,000,000, or
 11 make loans to lending institutions under terms and conditions
 12 which, in addition to other provisions determined by the
 13 Authority, shall require the lending institutions to use the
 14 net proceeds of the loans for the making, directly or
 15 indirectly, of construction loans or mortgage loans to
 16 finance the construction, equipping, rehabilitation or
 17 refinancing of multifamily rental housing located within the
 18 municipality having a population in excess of 1,000,000.

19 (310 ILCS 10/11) (from Ch. 67 1/2, par. 11)

20 Sec. 11. An Authority shall have power to issue bonds
 21 from time to time in its discretion to finance in whole or in
 22 part the cost of acquisition, purchase, construction,
 23 reconstruction, improvement, alteration, extension or repair
 24 of any project or undertaking hereunder. An Authority shall
 25 also have power to issue refunding bonds for the purpose of
 26 paying or retiring bonds previously issued by it. An
 27 Authority may issue such types of bonds as it may determine
 28 by resolution, including bonds on which the principal and
 29 interest are payable; (a) exclusively from the income and
 30 revenues of the housing project financed with the proceeds of
 31 such bonds (including, without limitation, income and
 32 revenues derived from a loan agreement with respect to a
 33 project located within the municipality having a population

1 in excess of 1,000,000), or with such proceeds together with
2 a grant from the Federal Government or any political
3 subdivision of the State in aid of such project; (b)
4 exclusively from the income and revenues of certain
5 designated housing projects of such Authority whether or not
6 they were financed in whole or in part with the proceeds of
7 such bonds; or (c) from its revenues generally. Any of such
8 bonds may be additionally secured by a pledge of any revenues
9 of any housing project, projects or other property of the
10 Authority.

11 In addition to powers conferred by this Act and other
12 laws concerning housing authorities in general, an Authority
13 for a municipality having a population in excess of 1,000,000
14 may grant a specific pledge or assignment of, and lien on or
15 security interest in, the income and revenues of the
16 Authority derived from the loan agreement with respect to the
17 project or projects, as well as in any reserves, funds, or
18 accounts established in the resolution authorizing the bonds
19 or the indenture or other instrument under which the bonds
20 are issued. As evidence of such pledge, assignment, lien,
21 and security interest, the Authority may execute and deliver
22 a mortgage, trust agreement, indenture, security agreement,
23 or an assignment thereof. The provisions of this amendatory
24 Act of the 92nd General Assembly create additional powers for
25 housing authorities having a population in excess of
26 1,000,000; these provisions do not limit the powers conferred
27 on housing authorities in general.

28 Neither the commissioners of an Authority nor any person
29 executing the bonds shall be liable personally on the bonds
30 by reason of the issuance thereof. The bonds and other
31 obligations of an Authority (and such bonds and obligations
32 shall so state on their face) shall not be a debt of any
33 city, village, incorporated town, county, the State or any
34 political subdivision thereof and neither the city, village,

1 incorporated town or the county, nor the State or any
2 political subdivision thereof shall be liable thereon, nor in
3 any event shall such bonds or obligations be payable out of
4 any funds or properties other than those of said Authority.
5 The bonds shall not constitute an indebtedness within the
6 meaning of any constitutional or statutory debt limitation or
7 restriction.

8 (Source: Laws 1937, p. 679.)

9 (310 ILCS 10/17) (from Ch. 67 1/2, par. 17)

10 Sec. 17. The following terms, wherever used or referred
11 to in this Act shall have the following respective meanings,
12 unless in any case a different meaning clearly appears from
13 the context:

14 (a) "Authority" or "housing authority" shall mean a
15 municipal corporation organized in accordance with the
16 provisions of this Act for the purposes, with the powers and
17 subject to the restrictions herein set forth.

18 (b) "Area" or "area of operation" shall mean: (1) in the
19 case of an authority which is created hereunder for a city,
20 village, or incorporated town, the area within the
21 territorial boundaries of said city, village, or incorporated
22 town, and so long as no county housing authority has
23 jurisdiction therein, the area within three miles from such
24 territorial boundaries, except any part of such area located
25 within the territorial boundaries of any other city, village,
26 or incorporated town; and (2) in the case of a county shall
27 include all of the county except the area of any city,
28 village or incorporated town located therein in which there
29 is an Authority. When an authority is created for a county
30 subsequent to the creation of an authority for a city,
31 village or incorporated town within the same county, the area
32 of operation of the authority for such city, village or
33 incorporated town shall thereafter be limited to the

1 territory of such city, village or incorporated town, but the
2 authority for such city, village or incorporated town may
3 continue to operate any project developed in whole or in part
4 in an area previously a part of its area of operation, or may
5 contract with the county housing authority with respect to
6 the sale, lease, development or administration of such
7 project. When an authority is created for a city, village or
8 incorporated town subsequent to the creation of a county
9 housing authority which previously included such city,
10 village or incorporated town within its area of operation,
11 such county housing authority shall have no power to create
12 any additional project within the city, village or
13 incorporated town, but any existing project in the city,
14 village or incorporated town currently owned and operated by
15 the county housing authority shall remain in the ownership,
16 operation, custody and control of the county housing
17 authority.

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

22 (d) "Commissioner" shall mean one of the members of an
23 Authority appointed in accordance with the provisions of this
24 Act.

25 (e) "Government" shall include the State and Federal
26 governments and the governments of any subdivisions, agency
27 or instrumentality, corporate or otherwise, of either of
28 them.

29 (f) "Department" shall mean the Department of Commerce
30 and Community Affairs.

31 (g) "Project" shall include all lands, buildings, and
32 improvements, acquired, owned, leased, managed or operated by
33 a housing authority, and all buildings and improvements
34 constructed, reconstructed or repaired by a housing

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

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

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

22 (i) "Real property" shall include lands, lands under
23 water, structures, and any and all easements, franchises and
24 incorporeal hereditaments and estates, and rights, legal and
25 equitable, including terms for years and liens by way of
26 judgment, mortgage or otherwise.

27 (j) The term "governing body" shall include the city
28 council of any city, the president and board of trustees of
29 any village or incorporated town, the council of any city or
30 village, and the county board of any county.

31 (k) The phrase "individual, association, corporation or
32 organization" shall include any individual, private
33 corporation, insurance company, housing corporation,
34 neighborhood redevelopment corporation, non-profit

1 corporation, incorporated or unincorporated group or
2 association, educational institution, hospital, or charitable
3 organization, and any mutual ownership or cooperative
4 organization.

5 (l) "Conservation area", for the purpose of the exercise
6 of the powers granted in Sections 8.14 to 8.18, inclusive,
7 for housing authorities for municipalities of less than
8 500,000 population and for counties, means an area of not
9 less than 2 acres in which the structures in 50% or more of
10 the area are residential having an average age of 35 years or
11 more. Such an area is not yet a slum or blighted area as
12 defined in the Blighted Areas Redevelopment Act of 1947, but
13 such an area by reason of dilapidation, obsolescence,
14 deterioration or illegal use of individual structures,
15 overcrowding of structures and community facilities,
16 conversion of residential units into non-residential use,
17 deleterious land use or layout, decline of physical
18 maintenance, lack of community planning, or any combination
19 of these factors may become a slum and blighted area.

20 (m) "Conservation plan" means the comprehensive program
21 for the physical development and replanning of a
22 "Conservation Area" as defined in paragraph (l) embodying the
23 steps required to prevent such Conservation Area from
24 becoming a slum and blighted area.

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

29 (o) "Community facilities" means, in relation to a
30 "Conservation Plan", those physical plants which implement,
31 support and facilitate the activities, services and interests
32 of education, recreation, shopping, health, welfare, religion
33 and general culture.

34 (p) "Loan agreement" means any agreement pursuant to

1 which an Authority agrees to loan the proceeds of its revenue
 2 bonds issued with respect to a multifamily rental housing
 3 project or other funds of the Authority to any person upon
 4 terms providing for loan repayment installments at least
 5 sufficient to pay when due all principal of, premium, if any,
 6 and interest on the revenue bonds of the Authority issued
 7 with respect to the multifamily rental housing project, and
 8 providing for maintenance, insurance, and other matters as
 9 may be deemed desirable by the Authority.

10 (g) "Multifamily rental housing" means any rental
 11 project designed for mixed-income or low-income occupancy.

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

13 (310 ILCS 10/21) (from Ch. 67 1/2, par. 21)

14 Sec. 21. In connection with the issuance of bonds or the
 15 incurring of obligations under leases and in order to secure
 16 the payment of such bonds or obligations, an Authority, in
 17 addition to its other powers, shall have power:

18 (a) To pledge all or any part of its gross or net rents,
 19 fees or revenues to which its right then exists or may
 20 thereafter come into existence.

21 (b) To covenant against pledging all or any part of its
 22 rents, fees and revenues, or against permitting or allowing
 23 any lien on such revenues or property; to covenant with
 24 respect to limitations on its right to sell, lease or
 25 otherwise dispose of any housing project or any part thereof;
 26 and to covenant as to what other, or additional debts or
 27 obligations may be incurred by it.

28 (c) To covenant as to the bonds to be issued and as to
 29 the issuance of such bonds in escrow or otherwise, and as to
 30 the use and disposition of the proceeds thereof: to provide
 31 for the replacement of lost, destroyed or mutilated bonds; to
 32 covenant against extending the time for the payment of its
 33 bonds or interest thereon; and to redeem the bonds, and to

1 covenant for their redemption and to provide the terms and
2 conditions thereof.

3 (d) To covenant (subject to the limitations contained in
4 this Act) as to the rents and fees to be charged in the
5 operation of a housing project or projects, the amount to be
6 raised each year or other period of time by rents, fees and
7 other revenues, and as to the use and disposition to be made
8 thereof; to create or to authorize the creation of special
9 funds for moneys held for construction or operating costs,
10 debt service, reserves, or other purposes, and to covenant as
11 to the use and disposition of the moneys held in such funds.

12 (e) To prescribe the procedure, if any, by which the
13 terms of any contract with bondholders may be amended or
14 abrogated, the amount of bonds the holders of which must
15 consent thereto and the manner in which such consent may be
16 given.

17 (f) To covenant as to the use of any or all of its real
18 or personal property; and to covenant as to the maintenance
19 of its real and personal property, the replacement thereof,
20 the insurance to be carried thereon and the use and
21 disposition of insurance moneys.

22 (g) To covenant as to the rights, liabilities, powers
23 and duties arising upon the breach by it of any covenant,
24 condition, or obligation; and to covenant and prescribe as to
25 events of default and terms and conditions upon which any or
26 all of its bonds or obligations shall become or may be
27 declared due before maturity, and as to the terms and
28 conditions upon which such declaration and its consequences
29 may be waived.

30 (h) To vest in a trustee or trustees or the holders of
31 bonds or any specified proportion of them the right to
32 enforce the payment of the bonds or any covenants securing or
33 relating to the bonds; to vest in a trustee or trustees the
34 right, in the event of a default by the Authority, to take

1 possession of any housing project or part thereof, and (so
2 long as the Authority shall continue in default) to retain
3 such possession and use, operate and manage the project, and
4 to collect the rents and revenues arising therefrom and to
5 dispose of such moneys in accordance with the agreement of
6 the Authority with the trustee; to provide for the powers and
7 duties of a trustee or trustees and to limit the liabilities
8 thereof; and to provide the terms and conditions upon which
9 the trustee or trustees or the holders of bonds or any
10 proportion of them may enforce any covenant or rights
11 securing or relating to the bonds.

12 (i) In the case of an Authority for a municipality
13 having a population in excess of 1,000,000, to enter into
14 loan agreements, regulatory agreements, and all other
15 instruments or documentation with private borrowers of the
16 proceeds of the Authority's multifamily housing revenue bonds
17 and to accept guaranties from persons of its loans or the
18 resultant evidences of obligations to the Authority. The
19 provisions of this amendatory Act of the 92nd General
20 Assembly create additional powers for housing authorities
21 having a population in excess of 1,000,000; these provisions
22 do not limit the powers conferred on housing authorities in
23 general.

24 (j) To exercise all or any part or combination of the
25 powers herein granted; to make covenants other than and in
26 addition to the covenants herein expressly authorized, of
27 like or different character; to make such covenants and to do
28 any and all such acts and things as may be necessary or
29 convenient or desirable in order to secure its bonds, or, in
30 the absolute discretion of the Authority, as will tend to
31 make the bonds more marketable notwithstanding that such
32 covenants, acts or things may not be enumerated herein.

33 (Source: P.A. 84-551.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.".