AN ACT concerning housing.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Counties Code is amended by changing Section 5-12001 as follows:

(55 ILCS 5/5-12001) (from Ch. 34, par. 5-12001)

Sec. 5-12001. Authority to regulate and restrict location and use of structures.

For the purpose of promoting the public health, safety, morals, comfort and general welfare, conserving the values of property throughout the county, lessening or avoiding congestion in the public streets and highways, and lessening or avoiding the hazards to persons and damage to property resulting from the accumulation or runoff of storm or flood waters, the county board or board of county commissioners, as the case may be, of each county, shall have the power to regulate and restrict the location and use of buildings, structures and land for trade, industry, residence and other uses which may be specified by such board, to regulate and restrict the intensity of such uses, to establish building or setback lines on or along any street, trafficway, drive, parkway or storm or floodwater runoff channel or basin outside the limits of cities, villages and incorporated towns which have in effect municipal zoning ordinances; to divide the entire county outside the limits of such cities, villages and incorporated towns into districts of such number, shape, area and of such different classes, according to the use of land and buildings, the intensity of such use (including height of buildings and structures and surrounding open space) and other classification as may be deemed best suited to carry out the purposes of this Division; to prohibit uses, buildings or structures incompatible with the character of such districts respectively; and to prevent additions to and alteration or remodeling of existing buildings or structures in such a way as to avoid the restrictions and limitations lawfully imposed hereunder: Provided, that permits with respect to the erection, maintenance, repair, alteration, remodeling or extension of buildings or structures used or to be used for agricultural purposes shall be issued free of any charge. The corporate authorities of the county may by ordinance require the construction of fences around or protective covers over previously constructed artificial basins of water dug in the ground and used for swimming or wading, which are located on private residential property and intended for the use of the owner and guests. In all ordinances or resolutions passed under the authority of this Division, due allowance shall be made for existing conditions, the conservation of property values, the directions of building development to the best advantage of the entire county, and the uses to which property is devoted at the time of the enactment of any such ordinance or resolution.

The powers by this Division given shall not be exercised so as to deprive the owner of any existing property of its use or maintenance for the purpose to which it is then lawfully devoted, but provisions may be made for (i) the gradual elimination of the uses of unimproved lands or lot areas when the existing rights of the persons in possession are terminated or when the uses to which they are devoted are discontinued, (ii) the gradual elimination of uses to which the buildings and structures are devoted if they are adaptable to permitted uses, and (iii) the gradual elimination of the buildings and structures when they are destroyed or damaged in major part; nor shall they be exercised so as to impose regulations, eliminate uses, buildings, or structures, or require permits with respect to land used for agricultural purposes, which includes the growing of farm crops, truck garden crops, animal and poultry husbandry, apiculture, aquaculture, dairying, floriculture, horticulture, nurseries, tree farms, sod farms, pasturage, viticulture, and wholesale greenhouses when such

agricultural purposes constitute the principal activity on the land, other than parcels of land consisting of less than 5acres from which \$1,000 or less of agricultural products were sold in any calendar year in counties with a population between 300,000 and 400,000 or in counties contiguous to a county with a population between 300,000 and 400,000, and other than parcels of land consisting of less than 5 acres in counties with a population in excess of 400,000, or with respect to the erection, maintenance, repair, alteration, remodeling or extension of buildings or structures used or to be used for agricultural purposes upon such land except that such buildings or structures for agricultural purposes may be required to conform to building or set back lines and counties may establish a minimum lot size for residences on land used for agricultural purposes; nor shall any such powers be so exercised as to prohibit the temporary use of land for the installation, maintenance and operation of facilities used by contractors in the ordinary course of construction activities, except that such facilities may be required to be located not less than 1,000 feet from any building used for residential purposes, and except that the period of such temporary use shall not exceed the duration of the construction contract; nor shall any such powers include the right to specify or regulate the type or location of any poles, towers, wires, cables, conduits, vaults, laterals or any other similar distributing equipment of a public utility as defined in the Public Utilities Act, if the public utility is subject to the Messages Tax Act, the Gas Revenue Tax Act or the Public Utilities Revenue Act, or if such facilities or equipment are located on any rights of way and are used for railroad purposes, nor shall any such powers be exercised with respect to uses, buildings, or structures of a public utility as defined in the Public Utilities Act, nor shall any such powers be exercised in any respect as to the facilities, as defined in Section 5-12001.1, of a telecommunications carrier, as also defined therein, except to the extent and in the manner set forth in Section 5-12001.1. As used in this Act, "agricultural purposes" do not include the extraction of sand, gravel or limestone, and such activities may be regulated by county zoning ordinance even when such activities are related to an agricultural purpose.

Nothing in this Division shall be construed to restrict the powers granted by statute to cities, villages and incorporated towns as to territory contiguous to but outside of the limits of such cities, villages and incorporated towns. Any zoning ordinance enacted by a city, village or incorporated town shall supersede, with respect to territory within the corporate limits of the municipality, any county zoning plan otherwise applicable. The powers granted to counties by this Division shall be treated as in addition to powers conferred by statute to control or approve maps, plats or subdivisions. In this Division, "agricultural purposes" include, without limitation, the growing, developing, processing, conditioning, or selling of hybrid seed corn, seed beans, seed oats, or other farm seeds.

Nothing in this Division shall be construed to prohibit the corporate authorities of a county from adopting an ordinance that exempts pleasure driveways or park districts, as defined in the Park District Code, with a population of greater than 100,000, from the exercise of the county's powers under this Division.

The powers granted by this Division may be used to require the creation and preservation of affordable housing, including the power to provide increased density or other zoning incentives to developers who are creating, establishing, or preserving affordable housing.

(Source: P.A. 89-654, eff. 8-14-96; 90-261, eff. 1-1-98; 90-522, eff. 1-1-98; 90-655, eff. 7-30-98; 90-661, eff. 7-30-98.)

Section 10. The Illinois Municipal Code is amended by changing Section 11-13-1 as follows:

(65 ILCS 5/11-13-1) (from Ch. 24, par. 11-13-1)

Sec. 11-13-1. To the end that adequate light, pure air, and safety from fire and other dangers may be secured, that the taxable value of land and buildings throughout the municipality may be conserved, that congestion in the public streets may be lessened or avoided, that the hazards to persons and damage to property resulting from the accumulation or runoff of storm or flood waters may be lessened or avoided, and that the public health, safety, comfort, morals, and welfare may otherwise be promoted, and to insure and facilitate the preservation of sites, areas, and structures of historical, architectural and aesthetic importance; the corporate authorities in each municipality have the following powers:

(1) To regulate and limit the height and bulk of buildings hereafter to be erected; (2) to establish, regulate and limit, subject to the provisions of Division 14 of this Article 11, the building or set-back lines on or along any street, traffic-way, drive, parkway or storm or floodwater runoff channel or basin; (3) to regulate and limit the intensity of the use of lot areas, and to regulate and determine the area of open spaces, within and surrounding such buildings; (4) to classify, regulate and restrict the location of trades and industries and the location of buildings designed for specified industrial, business, residential, and other uses; (5) to divide the entire municipality into districts of such number, shape, area, and of such different classes (according to use of land and buildings, height and bulk of buildings, intensity of the use of lot area, area of open spaces, or other classification) as may be deemed best suited to carry out the purposes of this Division 13; (6) to fix standards to which buildings or structures therein shall conform; (7) to prohibit uses, buildings, or structures incompatible with the character of such districts; (8) to prevent additions to and alteration or remodeling of existing buildings or structures in such a way as to avoid the restrictions and limitations lawfully imposed under this Division 13; (9) to classify, to regulate and restrict the use of property on basis of family relationship, which family relationship may be defined as one or more persons each related to the other by blood, marriage or adoption and maintaining a common household; and (10) to regulate or forbid any structure or activity which may hinder access to solar energy necessary for the proper functioning of a solar energy system, as defined in Section 1.2 of The Comprehensive Solar Energy Act of 1977; and (11) to require the creation and preservation of affordable housing, including the power to provide increased density or other zoning incentives to developers who are creating, establishing, or preserving affordable housing.

The powers enumerated may be exercised within the corporate limits or within contiguous territory not more than one and one-half miles beyond the corporate limits and not included within any municipality. However, if any municipality adopts a plan pursuant to Division 12 of Article 11 which plan includes in its provisions a provision that the plan applies to such contiguous territory not more than one and one-half miles beyond the corporate limits and not included in municipality, then no other municipality shall adopt a plan that shall apply to any territory included within the territory provided in the plan first so adopted by another municipality. No municipality shall exercise any power set forth in this Division 13 outside the corporate limits thereof, if the county in which such municipality is situated has adopted "An Act in relation to county zoning", approved June 12, 1935, as amended. Nothing in this Section prevents a municipality of more than 112,000 population located in a county of less than 185,000 population that has adopted a zoning ordinance and the county that adopted the zoning ordinance from entering into an intergovernmental agreement that allows the municipality to exercise its zoning powers beyond its territorial limits; provided, however, that the intergovernmental agreement must

be limited to the territory within the municipality's planning jurisdiction as defined by law or any existing boundary agreement. The county and the municipality must amend their individual zoning maps in the same manner as other zoning changes are incorporated into revised zoning maps. No such intergovernmental agreement may authorize a municipality to exercise its zoning powers, other than powers that a county may exercise under Section 5-12001 of the Counties Code, with respect to land used for agricultural purposes. This amendatory Act of the 92nd General Assembly is declarative of existing law. No municipality may exercise any power set forth in this Division 13 outside the corporate limits of the municipality with respect to a facility of a telecommunications carrier defined in Section 5-12001.1 of the Counties Code.

Notwithstanding any other provision of law to the contrary, at least 30 days prior to commencing construction of a new telecommunications facility within 1.5 miles of a municipality, the telecommunications carrier constructing the facility shall provide written notice of its intent to construct the facility. The notice shall include, but not be limited to, the following information: (i) the name, address, and telephone number of the company responsible for the construction of the facility and (ii) the address and telephone number of the governmental entity that issued the building permit for the telecommunications facility. The notice shall be provided in person, by overnight private courier, or by certified mail to all owners of property within 250 feet of the parcel in which the telecommunications carrier has a leasehold or ownership interest. For the purposes of this notice requirement, "owners" means those persons or entities identified from the authentic tax records of the county in which the telecommunications facility is to be located. If, after a bona fide effort by the telecommunications carrier to determine the owner and his or her address, the owner of the property on whom the notice must be served cannot be found at the owner's last known address, or if the mailed notice is returned because the owner cannot be found at the last known address, the notice requirement of this paragraph is deemed satisfied. For the purposes of this paragraph, "facility" means that term as it is defined in Section 5-12001.1 of the Counties Code.

If a municipality adopts a zoning plan covering an area outside its corporate limits, the plan adopted shall be reasonable with respect to the area outside the corporate limits so that future development will not be hindered or impaired; it is reasonable for a municipality to regulate or prohibit the extraction of sand, gravel, or limestone even when those activities are related to an agricultural purpose. If all or any part of the area outside the corporate limits of a municipality which has been zoned in accordance with the provisions of this Division 13 is annexed to another municipality or municipalities, the annexing unit shall thereafter exercise all zoning powers and regulations over the annexed area.

In all ordinances passed under the authority of this Division 13, due allowance shall be made for existing conditions, the conservation of property values, the direction of building development to the best advantage of the entire municipality and the uses to which the property is devoted at the time of the enactment of such an ordinance. The powers conferred by this Division 13 shall not be exercised so as to deprive the owner of any existing property of its use or maintenance for the purpose to which it is then lawfully devoted, but provisions may be made for the gradual elimination of uses, buildings and structures which are incompatible with the character of the districts in which they are made or located, including, without being limited thereto, provisions (a) for the elimination of such uses of unimproved lands or lot areas when the existing rights of the persons in possession thereof are terminated or when the uses to which they are devoted are discontinued; (b) for the elimination of uses to which such buildings and structures are devoted, if they are adaptable for permitted uses; and (c) for the elimination of such buildings and structures when they are destroyed or damaged in major part, or when they have reached the age fixed by the corporate authorities of the municipality as the normal useful life of such buildings or structures.

This amendatory Act of 1971 does not apply to any municipality which is a home rule unit.

(Source: P.A. 92-509, eff. 1-1-02; 93-698, eff. 7-9-04.)

Section 15. The Affordable Housing Planning and Appeal Act is amended by changing Sections 15, 25, 30, and 50 and by adding Section 60 as follows:

(310 ILCS 67/15)

Sec. 15. Definitions. As used in this Act:

"Affordable housing" means housing that has a sales price or rental amount that is within the means of a household that may occupy moderate-income or low-income housing. In the case of dwelling units for sale, housing that is affordable means housing in which mortgage, amortization, taxes, insurance, and condominium or association fees, if any, constitute no more than 30% of the gross annual household income for a household of the size that may occupy the unit. In the case of dwelling units for rent, housing that is affordable means housing for which the rent and utilities constitute no more than 30% of the gross annual household income for a household of the size that may occupy the unit.

"Affordable housing developer" means a nonprofit entity, limited equity cooperative or public agency, or private individual, firm, corporation, or other entity seeking to build an affordable housing development.

"Affordable housing development" means (i) any housing that is subsidized by the federal or State government or (ii) any housing in which at least 20% of the dwelling units are subject to covenants or restrictions that require that the dwelling units be sold or rented at prices that preserve them

as affordable housing for a period of at least 15 years, in the case of for-sale housing, and at least 30 years, in the case of rental housing.

"Approving authority" means the governing body of the county or municipality.

"Area median household income" means the median household income adjusted for family size for applicable income limit areas as determined annually by the federal Department of Housing and Urban Development under Section 8 of the United States Housing Act of 1937.

"Community land trust" means a private, not-for-profit corporation organized exclusively for charitable, cultural, and other purposes and created to acquire and own land for the benefit of the local government, including the creation and preservation of affordable housing.

"Development" means any building, construction, renovation, or excavation or any material change in the use or appearance of any structure or in the land, itself; the division of land into parcels; or any change in the intensity or use of such structure or land, that results in a net increase in the number of dwelling units in a structure or on a parcel of land by more than one dwelling unit such as an increase in the number of dwelling units in a structure or a change to a commercial use.

"Exempt local government" means any local government in which at least 10% of its total year-round housing units are affordable, as determined by the Illinois Housing Development Authority pursuant to Section 20 of this Act; or any municipality under 1,000 population.

"Household" means the person or persons occupying a dwelling unit.

"Housing trust fund" means a separate fund, either within a local government or between local governments pursuant to intergovernmental agreement, established solely for the purposes authorized in subsection (d) of Section 25, including, without limitation, the holding and disbursing of financial

resources to address the affordable housing needs of individuals or households that may occupy low-income or moderate-income housing.

"Local government" means a county or municipality.

"Low-income housing" means housing that is affordable, according to the federal Department of Housing and Urban Development, for either home ownership or rental, and that is occupied, reserved, or marketed for occupancy by households with a gross household income that does not exceed 50% of the area median household income.

"Moderate-income housing" means housing that is affordable, according to the federal Department of Housing and Urban Development, for either home ownership or rental, and that is occupied, reserved, or marketed for occupancy by households with a gross household income that is greater than 50% but does not exceed 80% of the area median household income.

"Non-appealable local government requirements" means all essential requirements that protect the public health and safety, including any local building, electrical, fire, or plumbing code requirements or those requirements that are critical to the protection or preservation of the environment. (Source: P.A. 93-595, eff. 1-1-04; 93-678, eff. 6-28-04.)

(310 ILCS 67/25)

Sec. 25. Affordable housing plan.

- (a) Prior to April 1, 2005, all non-exempt local governments must approve an affordable housing plan. Any local government that is determined by the Illinois Housing Development Authority under Section 20 to be non-exempt for the first time based on the recalculation of decennial census data after 2010 shall have 18 months from the date of notification of its non-exempt status to approve an affordable housing plan under this Act.
- (b) For the purposes of this Act, the affordable housing plan shall consist of at least the following:

- (i) a statement of the total number of affordable housing units that are necessary to exempt the local government from the operation of this Act as defined in Section 15 and Section 20;
- (ii) an identification of lands within the jurisdiction that are most appropriate for the construction of affordable housing and of existing structures most appropriate for conversion to, or rehabilitation for, affordable housing, including a consideration of lands and structures of developers who have expressed a commitment to provide affordable housing and lands and structures that are publicly or semi-publicly owned;
- (iii) incentives that local governments may provide for the purpose of attracting affordable housing to their jurisdiction; and
- (iv) a goal of a minimum of 15% of all new development or redevelopment within the local government that would be defined as affordable housing in this Act; or a minimum of a 3 percentage point increase in the overall percentage of affordable housing within its jurisdiction, as described in subsection (b) of Section 20 of this Act; or a minimum of a total of 10% affordable housing within its jurisdiction as described in subsection (b) of Section 20 of this Act. These goals may be met, in whole or in part, through the creation of affordable housing units under intergovernmental agreements as described in subsection (e) of this Section.
- (c) Within 60 days after the adoption of an affordable housing plan or revisions to its affordable housing plan, the local government must submit a copy of that plan to the Illinois Housing Development Authority.
- (d) In order to promote the goals of this Act and to maximize the creation, establishment, or preservation of affordable housing throughout the State of Illinois, a local government, whether exempt or non-exempt under this Act, may

adopt the following measures to address the need for affordable housing:

- (1) Local governments may individually or jointly create or participate in a housing trust fund or otherwise provide funding or support for the purpose of supporting affordable housing, including, without limitation, to support the following affordable housing activities:
  - (A) Housing production, including, without limitation, new construction, rehabilitation, and adaptive re-use.
  - (B) Acquisition, including, without limitation, land, single-family homes, multi-unit buildings, and other existing structures that may be used in whole or in part for residential use.
    - (C) Rental payment assistance.
    - (D) Home-ownership purchase assistance.
    - (E) Preservation of existing affordable housing.
    - (F) Weatherization.
    - (G) Emergency repairs.
  - (H) Housing related support services, including homeownership education and financial counseling.
  - (I) Grants or loans to not-for-profit organizations engaged in addressing the affordable housing needs of low-income and moderate-income households.

Local governments may authorize housing trust funds to accept and utilize funds, property, and other resources from all proper and lawful public and private sources so long as those funds are used solely for addressing the affordable housing needs of individuals or households that may occupy low-income or moderate-income housing.

(2) A local government may create a community land trust, which may: acquire developed or undeveloped interests in real property and hold them for affordable housing purposes; convey such interests under long-term leases, including ground leases; convey such interests for

- affordable housing purposes; and retain an option to reacquire any such real property interests at a price determined by a formula ensuring that such interests may be utilized for affordable housing purposes.
- (3) A local government may use its zoning powers to require the creation and preservation of affordable housing as authorized under Section 5-12001 of the Counties Code and Section 11-13-1 of the Illinois Municipal Code.
- (4) A local government may accept donations of money or land for the purpose of addressing the affordable housing needs of individuals or households that may occupy low-income or moderate-income housing. These donations may include, without limitation, donations of money or land from persons in lieu of building affordable housing.
- (e) In order to encourage regional cooperation and the maximum creation of affordable housing in areas lacking such housing in the State of Illinois, any non-exempt local government may enter into intergovernmental agreements under subsection (e) of Section 25 with local governments within 10 miles of its corporate boundaries in order to create affordable housing units to meet the goals of this Act. A non-exempt local government may not enter into an intergovernmental agreement, however, with any local government that contains more than 25% affordable housing as determined under Section 20 of this Act. All intergovernmental agreements entered into to create affordable housing units to meet the goals of this Act must also specify the basis for determining how many of the affordable housing units created will be credited to each local government participating in the agreement for purposes of complying with this Act. All intergovernmental agreements entered into to create affordable housing units to meet the goals of this Act must also specify the anticipated number of newly created affordable housing units that are to be credited to each local government participating in the agreement for purposes of complying with this Act. In specifying how many affordable housing units will be credited to each local

government, the same affordable housing unit may not be counted by more than one local government.

(Source: P.A. 93-595, eff. 1-1-04; 93-678, eff. 6-28-04.)

(310 ILCS 67/30)

Sec. 30. Appeal to State Housing Appeals Board.

- housing developer whose application is either denied or approved with conditions that in his or her judgment render the provision of affordable housing infeasible may, within 45 days after the decision, submit to the State Housing Appeals Board information regarding why the developer believes he or she was unfairly denied or conditions were placed upon the tentative approval of the development unless the local government that rendered the decision is exempt under Section 15 or Section 20 of this Act. The Board shall maintain all information forwarded to them by developers and shall compile and make available an annual report summarizing the information thus received.
- (b) Beginning January 1, 2009, an affordable housing developer whose application is either denied or approved with conditions that in his or her judgment render the provision of affordable housing infeasible may, within 45 days after the decision, appeal to the State Housing Appeals Board challenging that decision unless the municipality or county that rendered the decision is exempt under Section 15 of this Act. The developer must submit information regarding why the developer believes he or she was unfairly denied or unreasonable conditions were placed upon the tentative approval of the development. In the case of local governments that are determined by the Illinois Housing Development Authority under Section 20 to be non-exempt for the first time based on the recalculation of decennial census data after 2010, no developer may appeal to the State Housing Appeals Board until 60 months after a local government has been notified of its non-exempt status.
  - (c) Beginning January 1, 2009, the Board shall render a

decision on the appeal within 120 days after the appeal is filed. In its determination of an appeal, the Board shall conduct a de novo review of the matter. In rendering its decision, the Board shall consider the facts and whether the developer was treated in a manner that places an undue burden on the development due to the fact that the development contains affordable housing as defined in this Act. The Board shall further consider any action taken by the unit of local government in regards to granting waivers or variances that would have the effect of creating or prohibiting the economic viability of the development. In any proceeding before the Board, the <u>affordable housing</u> developer bears the burden of demonstrating that the proposed affordable housing development (i) he or she has been unfairly denied or (ii) has had unreasonable conditions have been placed upon it by the decision of the local government the tentative approval for the application for an affordable housing development.

- (d) The Board shall dismiss any appeal if:
- (i) the local government has adopted an affordable housing plan as defined in Section 25 of this Act and submitted that plan to the Illinois Housing Development Authority within the time frame required by this Act; and
- (ii) the local government has implemented its affordable housing plan and has met its goal as established in its affordable housing plan as defined in Section 25 of this Act.
- (e) The Board shall dismiss any appeal if the reason for denying the application or placing conditions upon the approval is a non-appealable local government requirement under Section 15 of this Act.
- (f) The Board may affirm, reverse, or modify the conditions of, or add conditions to, a decision made by the approving authority. The decision of the Board constitutes an order directed to the approving authority and is binding on the local government.
  - (g) The appellate court has the exclusive jurisdiction to

review decisions of the Board. Any appeal to the Appellate Court of a final ruling by the State Housing Appeals Board may be heard only in the Appellate Court for the District in which the local government involved in the appeal is located.

(Source: P.A. 93-595, eff. 1-1-04.)

(310 ILCS 67/50)

Sec. 50. Housing Appeals Board.

- (a) Prior to <u>January 1, 2008</u> <del>July 1, 2006</del>, a Housing Appeals Board shall be created consisting of 7 members appointed by the Governor as follows:
  - (1) a retired circuit judge or retired appellate judge, who shall act as chairperson;
    - (2) a zoning board of appeals member;
    - (3) a planning board member;
    - (4) a mayor or municipal council or board member;
    - (5) a county board member;
    - (6) an affordable housing developer; and
    - (7) an affordable housing advocate.

In addition, the Chairman of the Illinois Housing Development Authority, ex officio, shall serve as a non-voting member. No more than 4 of the appointed members may be from the same political party. Appointments under items (2), (3), and (4) shall be from local governments that are not exempt under this Act.

(b) Initial terms of 4 members designated by the Governor shall be for 2 years. Initial terms of 3 members designated by the Governor shall be for one year. Thereafter, members shall be appointed for terms of 2 years. A member shall receive no compensation for his or her services, but shall be reimbursed by the State for all reasonable expenses actually and necessarily incurred in the performance of his or her official duties. The board shall hear all petitions for review filed under this Act and shall conduct all hearings in accordance with the rules and regulations established by the chairperson. The Illinois Housing Development Authority shall provide space

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and clerical and other assistance that the Board may require.

(c) (Blank). The Illinois Housing Development Authority may adopt such other rules and regulations as it deems necessary and appropriate to carry out the Board's responsibilities under this Act and to provide direction to local governments and affordable housing developers.

(Source: P.A. 93-595, eff. 1-1-04.)

(310 ILCS 67/60 new)

Sec. 60. Rulemaking authority. The Illinois Housing

Development Authority shall adopt other rules and regulations

as needed to carry out the Board's responsibilities under this

Act and to provide direction to local governments and

affordable housing developers.

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