

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 (d) For purposes of this Section, the term
 20 "construction" shall include the acquisition of land and
 21 improvements constituting, or proximate to, any existing
 22 project containing 25 or more residential units.

23 (310 ILCS 10/11) (from Ch. 67 1/2, par. 11)

24 Sec. 11. An Authority shall have power to issue bonds
 25 from time to time in its discretion to finance in whole or in
 26 part the cost of acquisition, purchase, construction,
 27 reconstruction, improvement, alteration, extension or repair
 28 of any project or undertaking hereunder. An Authority shall
 29 also have power to issue refunding bonds for the purpose of
 30 paying or retiring bonds previously issued by it. An
 31 Authority may issue such types of bonds as it may determine
 32 by resolution, including bonds on which the principal and
 33 interest are payable; (a) exclusively from the income and

1 revenues of the housing project financed with the proceeds of
2 such bonds (including, without limitation, income and
3 revenues derived from a loan agreement with respect to a
4 project located within the municipality having a population
5 in excess of 1,000,000), or with such proceeds together with
6 a grant from the Federal Government or any political
7 subdivision of the State in aid of such project; (b)
8 exclusively from the income and revenues of certain
9 designated housing projects of such Authority whether or not
10 they were financed in whole or in part with the proceeds of
11 such bonds; or (c) from its revenues generally. Any of such
12 bonds may be additionally secured by a pledge of any revenues
13 of any housing project, projects or other property of the
14 Authority.

15 In addition to powers conferred by this Act and other
16 laws concerning housing authorities in general, an Authority
17 for a municipality having a population in excess of 1,000,000
18 may grant a specific pledge or assignment of, and lien on or
19 security interest in, the income and revenues of the
20 Authority derived from the loan agreement with respect to the
21 project or projects, as well as in any reserves, funds, or
22 accounts established in the resolution authorizing the bonds
23 or the indenture or other instrument under which the bonds
24 are issued. As evidence of such pledge, assignment, lien,
25 and security interest, the Authority may execute and deliver
26 a mortgage, trust agreement, indenture, security agreement,
27 or an assignment thereof. The provisions of this amendatory
28 Act of the 92nd General Assembly create additional powers for
29 housing authorities having a population in excess of
30 1,000,000; these provisions do not limit the powers conferred
31 on housing authorities in general.

32 Neither the commissioners of an Authority nor any person
33 executing the bonds shall be liable personally on the bonds
34 by reason of the issuance thereof. The bonds and other

1 obligations of an Authority (and such bonds and obligations
2 shall so state on their face) shall not be a debt of any
3 city, village, incorporated town, county, the State or any
4 political subdivision thereof and neither the city, village,
5 incorporated town or the county, nor the State or any
6 political subdivision thereof shall be liable thereon, nor in
7 any event shall such bonds or obligations be payable out of
8 any funds or properties other than those of said Authority.
9 The bonds shall not constitute an indebtedness within the
10 meaning of any constitutional or statutory debt limitation or
11 restriction.

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

13 (310 ILCS 10/17) (from Ch. 67 1/2, par. 17)

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

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

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

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

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

26 (d) "Commissioner" shall mean one of the members of an
27 Authority appointed in accordance with the provisions of this
28 Act.

29 (e) "Government" shall include the State and Federal
30 governments and the governments of any subdivisions, agency
31 or instrumentality, corporate or otherwise, of either of
32 them.

33 (f) "Department" shall mean the Department of Commerce
34 and Community Affairs.

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

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

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

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

31 (j) The term "governing body" shall include the city
32 council of any city, the president and board of trustees of
33 any village or incorporated town, the council of any city or
34 village, and the county board of any county.

1 (k) The phrase "individual, association, corporation or
2 organization" shall include any individual, private
3 corporation, insurance company, housing corporation,
4 neighborhood redevelopment corporation, non-profit
5 corporation, incorporated or unincorporated group or
6 association, educational institution, hospital, or charitable
7 organization, and any mutual ownership or cooperative
8 organization.

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

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

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

33 (o) "Community facilities" means, in relation to a
34 "Conservation Plan", those physical plants which implement,

1 support and facilitate the activities, services and interests
2 of education, recreation, shopping, health, welfare, religion
3 and general culture.

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

14 (q) "Multifamily rental housing" means any rental
15 project designed for mixed-income or low-income occupancy.

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

17 (310 ILCS 10/21) (from Ch. 67 1/2, par. 21)

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

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

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

32 (c) To covenant as to the bonds to be issued and as to
33 the issuance of such bonds in escrow or otherwise, and as to

1 the use and disposition of the proceeds thereof: to provide
2 for the replacement of lost, destroyed or mutilated bonds; to
3 covenant against extending the time for the payment of its
4 bonds or interest thereon; and to redeem the bonds, and to
5 covenant for their redemption and to provide the terms and
6 conditions thereof.

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

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

21 (f) To covenant as to the use of any or all of its real
22 or personal property; and to covenant as to the maintenance
23 of its real and personal property, the replacement thereof,
24 the insurance to be carried thereon and the use and
25 disposition of insurance moneys.

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

34 (h) To vest in a trustee or trustees or the holders of

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

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

28 (j) To exercise all or any part or combination of the
29 powers herein granted; to make covenants other than and in
30 addition to the covenants herein expressly authorized, of
31 like or different character; to make such covenants and to do
32 any and all such acts and things as may be necessary or
33 convenient or desirable in order to secure its bonds, or, in
34 the absolute discretion of the Authority, as will tend to

1 make the bonds more marketable notwithstanding that such
2 covenants, acts or things may not be enumerated herein.

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

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