



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB3813

Introduced 2/25/2005, by Rep. Julie Hamos

SYNOPSIS AS INTRODUCED:

310 ILCS 10/2	from Ch. 67 1/2, par. 2
310 ILCS 10/8.11a new	
310 ILCS 10/8.19	from Ch. 67 1/2, par. 8.19
310 ILCS 10/8.20a new	
310 ILCS 10/13	from Ch. 67 1/2, par. 13
310 ILCS 10/17	from Ch. 67 1/2, par. 17
310 ILCS 10/30.5 new	
310 ILCS 10/30.10 new	

Amends the Housing Authorities Act. Requires each housing authority to keep an accurate public account of all of its activities and of all receipts and expenditures and make an annual public report to the Department of Commerce and Economic Opportunity; requires the Department to submit to the Governor, the General Assembly, and the public an annual report that summarizes the annual reports of all the housing authorities. Provides that housing authorities, in the operation of their rental assistance programs, are to serve households with incomes of no more than 80% of the area median income. Adds definitions of "low-income household", "very low-income household", "extremely low-income household", and "rental assistance program". Authorizes a housing authority to enter into a regional cooperative agreement with another housing authority or with a municipality. Provides that each housing authority is responsible for ensuring that its programs and activities are administered in a manner that will affirmatively further the goal of fair housing by examining its programs and proposed programs and identifying any impediments to fair housing choice within those programs and by taking other actions. Makes other changes. Effective immediately.

LRB094 10142 DRJ 40404 b

FISCAL NOTE ACT
MAY APPLY

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 Authorities Act is amended by
5 changing Sections 2, 8.19, 13, and 17 and by adding Sections
6 8.11a, 8.20a, 30.5, and 30.10 as follows:

7 (310 ILCS 10/2) (from Ch. 67 1/2, par. 2)

8 Sec. 2. It is hereby declared as a matter of legislative
9 determination that in order to promote and protect the health,
10 safety, morals and welfare of the public, it is necessary in
11 the public interest to provide for the creation of municipal
12 corporations to be known as housing authorities, and to confer
13 upon and vest in these housing authorities all powers necessary
14 or appropriate in order that they may engage in low-rent
15 housing and slum clearance projects, and provide rental
16 assistance programs, and undertake land assembly, clearance,
17 rehabilitation, development, and redevelopment projects as
18 will tend to relieve the shortage of decent, safe, affordable,
19 and sanitary dwellings; and that the powers herein conferred
20 upon the housing authorities including the power to acquire and
21 dispose of improved or unimproved property, to remove
22 unsanitary or substandard conditions, to construct and operate
23 housing accommodations, to regulate the maintenance of housing
24 projects and to borrow, expend, loan, invest, and repay monies
25 for the purposes herein set forth, are public objects and
26 governmental functions essential to the public interest.

27 It is further declared as a matter of legislative
28 determination that the crucial affordable housing shortage
29 which continues to prevail throughout the State has contributed
30 and will continue to contribute materially toward an increase
31 in crime, juvenile delinquency, infant mortality, drug abuse,
32 drug disability and disease; that by reason thereof it has

1 become a social and economic imperative to broaden the powers
2 of housing authorities with respect to the acquisition of
3 property, the construction of housing accommodations, the
4 provision of rental assistance programs and the assembly,
5 clearance and sale or other disposition of property acquired
6 for development or redevelopment by persons, firms and
7 corporations; that the provisions of this Act are grounded in
8 public necessity and predicated upon serious emergency
9 conditions requiring immediate consideration and action, and
10 that this amendatory Act embraces public objects and
11 governmental functions essential to the public interest.

12 It is further declared that in municipalities of less than
13 500,000 population further stimulus must be provided for the
14 conservation of urban areas and the prevention of slums if the
15 public interest objectives of the Urban Community Conservation
16 Act, are to be secured; that in these municipalities housing
17 authorities should be authorized to initiate, plan, study and
18 execute urban conservation projects as an alternative
19 mechanism to that provided in the Urban Community Conservation
20 Act; that unless this authority is so delegated there is a
21 serious and substantial risk that many urban areas will
22 deteriorate into actual slum and blight areas; and that to
23 prevent the occurrence of these conditions and the social evils
24 attendant thereon, and to protect and conserve the public
25 interest, the provisions of this amendatory Act are necessary.

26 It is further declared as a matter of legislative
27 determination that housing authorities, as part of their powers
28 conferred in this Act, have a duty in the execution of those
29 powers to promote the affirmative furtherance of fair housing,
30 the deconcentration of poverty, and regional cooperation in all
31 programs administered or supervised by the housing
32 authorities.

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

34 (310 ILCS 10/8.11a new)

35 Sec. 8.11a. Report to Department of Commerce and Economic

1 Opportunity.

2 (a) Each housing authority shall keep an accurate public
3 account of all of its activities and of all receipts and
4 expenditures and make an annual public report to the
5 Department. The report shall include but is not limited to
6 information regarding: the proper selection of applicants for
7 the rental assistance programs; the sound determination of
8 reasonable rent for each unit leased; the establishment of
9 payment standards within the required range of fair market
10 rent; the extent of use of all available rental assistance
11 programs; the locational patterns of participants in rental
12 assistance programs; the amount of landlord participation in
13 all rental assistance programs, particularly landlords with
14 housing units in areas of economic opportunity and that foster
15 racial integration; the innovative programs of housing
16 authorities; any regional cooperative agreements; program
17 participants' access to portability opportunities; compliance
18 with affirmative fair housing marketing procedures; and the
19 expansion of housing choice for rental assistance program
20 participants outside areas of poverty and minority
21 concentration.

22 (b) The Department shall prepare and submit to the
23 Governor, the General Assembly, and the public an annual report
24 that summarizes the annual reports of all the housing
25 authorities for the State of Illinois filed with the Department
26 under subsection (a).

27 (310 ILCS 10/8.19) (from Ch. 67 1/2, par. 8.19)

28 Sec. 8.19. The housing authority of any county, or of the
29 several counties within its area of operation is authorized and
30 permitted to operate a housing referral service. "Housing
31 referral Service" for the purposes of this Section means that
32 the Housing Authority establishing the service will use all of
33 the information it has available by virtue of its duties under
34 this Act, to assist persons with low incomes to find available
35 housing that is decent, safe and sanitary and affordable

1 without overcrowding, which is suitable for their needs. This
2 service shall include housing anywhere within an authority's
3 area of operation or in cooperation with any regional or State
4 planning agency of any city, village or incorporated town
5 wholly or partly within the area of its operation, but is not
6 confined to housing projects of the authority. This service
7 shall be without charge of any kind to the individuals seeking
8 housing within their income range and shall be provided under
9 rules promulgated by the Housing Authority.

10 ~~"Low income" for the purposes of this Section means income~~
11 ~~as that term is defined by federal housing statutes and U.S.~~
12 ~~Department of Housing and Urban Development regulations.~~

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

14 (310 ILCS 10/8.20a new)

15 Sec. 8.20a. Prioritization of low-income, very low-income
16 and extremely low-income households.

17 (a) Housing authorities, in the operation of their rental
18 assistance programs, are to serve households with incomes of no
19 more than 80% of the area median income. Each housing
20 authority, as defined in Section 17, in the operation of its
21 rental assistance programs, shall, to the maximum extent
22 practicable, serve households with incomes of less than 50% of
23 the area median income, including households with incomes of
24 less than 30% of the area median income. In administering its
25 rental assistance programs, each housing authority shall to the
26 maximum extent practicable attempt to serve households in the
27 lower range of the income group for which the housing program
28 was developed.

29 (b) Each housing authority shall target 75% of its new
30 admissions to rental assistance programs to households with
31 incomes of less than 30% of the area median income.

32 (310 ILCS 10/13) (from Ch. 67 1/2, par. 13)

33 Sec. 13. The Department may, in its discretion, prescribe
34 methods and forms for keeping accounts, records and books to be

1 used by an Authority, and prescribe accounts to which
2 particular outlays and receipts shall be entered, charged, or
3 credited. ~~The Department may require an Authority to file~~
4 ~~periodical reports, but not more frequently than quarterly,~~
5 ~~covering its operations and activities in a form prescribed by~~
6 ~~the Department.~~ The Department may also, from time to time,
7 require an Authority to provide specific answers to questions
8 on subjects when the Department desires information on those
9 subjects.

10 The Department may investigate the conditions and affairs
11 of an Authority, its dealings, transactions or relationships
12 and the manner in which projects are managed, and may through
13 its members or employees enter upon and inspect the property,
14 equipment, buildings, plants and offices of an Authority and
15 examine its books, contracts, records, documents and papers.

16 Every Authority shall further be subject to the further
17 powers of supervision of the Department provided in Sections
18 27, 28 and 29 of the State Housing Act. ~~This Section shall not~~
19 ~~apply with reference to any project financed in whole or in~~
20 ~~part by federal funds, so long as such project is supervised or~~
21 ~~controlled by the federal government or any agency or~~
22 ~~instrumentality thereof or designee or nominee thereof.~~

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

24 (310 ILCS 10/17) (from Ch. 67 1/2, par. 17)

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

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

33 (b) "Area" or "area of operation" shall mean: (1) in the
34 case of an authority which is created hereunder for a city,
35 village, or incorporated town, the area within the territorial

1 boundaries of said city, village, or incorporated town, and so
2 long as no county housing authority has jurisdiction therein,
3 the area within three miles from such territorial boundaries,
4 except any part of such area located within the territorial
5 boundaries of any other city, village, or incorporated town;
6 and (2) in the case of a county shall include all of the county
7 except the area of any city, village or incorporated town
8 located therein in which there is an Authority. When an
9 authority is created for a county subsequent to the creation of
10 an authority for a city, village or incorporated town within
11 the same county, the area of operation of the authority for
12 such city, village or incorporated town shall thereafter be
13 limited to the territory of such city, village or incorporated
14 town, but the authority for such city, village or incorporated
15 town may continue to operate any project developed in whole or
16 in part in an area previously a part of its area of operation,
17 or may contract with the county housing authority with respect
18 to the sale, lease, development or administration of such
19 project. When an authority is created for a city, village or
20 incorporated town subsequent to the creation of a county
21 housing authority which previously included such city, village
22 or incorporated town within its area of operation, such county
23 housing authority shall have no power to create any additional
24 project within the city, village or incorporated town, but any
25 existing project in the city, village or incorporated town
26 currently owned and operated by the county housing authority
27 shall remain in the ownership, operation, custody and control
28 of the county housing authority.

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

33 (d) "Commissioner" shall mean one of the members of an
34 Authority appointed in accordance with the provisions of this
35 Act.

36 (e) "Government" shall include the State and Federal

1 governments and the governments of any subdivisions, agency or
2 instrumentality, corporate or otherwise, of either of them.

3 (f) "Department" shall mean the Department of Commerce and
4 Economic Opportunity ~~Community Affairs~~.

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

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

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

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

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

34 (k) The phrase "individual, association, corporation or
35 organization" shall include any individual, private
36 corporation, insurance company, housing corporation,

1 neighborhood redevelopment corporation, non-profit
2 corporation, incorporated or unincorporated group or
3 association, educational institution, hospital, or charitable
4 organization, and any mutual ownership or cooperative
5 organization.

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

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

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

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

35 (p) "Loan agreement" means any agreement pursuant to which
36 an Authority agrees to loan the proceeds of its revenue bonds

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

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

11 (r) "Rental assistance program" means any rental project,
12 program, or unit of housing designed for mixed-income or
13 low-income occupancy, including but not limited to projects,
14 programs, or units of housing that: (i) receive the benefit of
15 a subsidy in the form of tenant-based assistance under the
16 Section 8 rent subsidy program for lower-income families or the
17 Housing Choice Voucher Program of the United States Department
18 of Housing and Urban Development authorized by 42 U.S.C. 1437f;
19 or (ii) receive the benefit of a subsidy in the form of any
20 other local, State, or federal rental assistance or rental
21 support program administered or supervised by the housing
22 authority.

23 (s) "Low-income household" means a household whose annual
24 income does not exceed 80% of the median income for the area.

25 (t) "Very low-income household" means a household whose
26 annual income does not exceed 50% of the median income for the
27 area.

28 (u) "Extremely low-income household" means a household
29 whose annual income does not exceed 30% of the median income
30 for the area.

31 (Source: P.A. 92-481, eff. 8-23-01; revised 12-6-03.)

32 (310 ILCS 10/30.5 new)

33 Sec. 30.5. Regional cooperative agreements. For the
34 purpose of enhancing portability, streamlining programs, and
35 maximizing resources, any 2 or more housing authorities, or any

1 housing authority and any municipality, may join or cooperate
2 with one another to create regional cooperative agreements. Any
3 such agreement shall set forth the rights, powers, and
4 obligations of the parties to the agreement within the several
5 cities or towns in which the parties operate.

6 (310 ILCS 10/30.10 new)

7 Sec. 30.10. Affirmative furtherance of fair housing. As
8 set forth in subsection (G) of Section 1-102 of the Illinois
9 Human Rights Act, it is the public policy of this State to
10 establish Equal Opportunity and Affirmative Action as the
11 policies of this State in all of its decisions, programs, and
12 activities, and to assure that all State departments, boards,
13 commissions, and instrumentalities rigorously take affirmative
14 action to provide equality of opportunity and eliminate the
15 effects of past discrimination in the internal affairs of State
16 government and in their relations with the public.

17 Each housing authority thus is responsible for ensuring
18 that its programs and activities are administered in a manner
19 that will affirmatively further the goal of fair housing by:
20 examining its programs and proposed programs and identifying
21 any impediments to fair housing choice within those programs;
22 addressing those impediments in a reasonable fashion in view of
23 the resources available; working cooperatively with other
24 housing authorities and local governments to implement
25 initiatives to affirmatively further fair housing, including
26 but not limited to streamlining and enhancing mobility and
27 portability for rental assistance program participants, and
28 ensuring the participation of landlords with housing units in
29 areas of economic opportunity and that foster racial
30 integration; and maintaining records reflecting these analyses
31 and actions.

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