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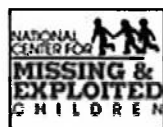
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EXECUTIVE BRANCH

(20 ILCS 3805/) Illinois Housing Development Act.

(20 ILCS 3805/1) (from Ch. 67 1/2, par. 301)

Sec. 1. This Act shall be known and may be cited as the Illinois Housing Development Act.
(Source: Laws 1967, p. 1931.)

(20 ILCS 3805/2) (from Ch. 67 1/2, par. 302)

Sec. 2. As used in this Act:

(a) "Authority" means the Illinois Housing Development Authority created in this Act.

(b) "Development costs" means the costs approved by the Authority as appropriate expenditures which may be incurred prior to commitment and initial closing of assisted mortgage financing or of housing related commercial facilities, including but not limited to: (1) payments for options to purchase properties for the proposed development or facilities, deposits on contracts of purchase, or, with the prior approval of the Authority, payments for the purchases of such properties; (2) legal, organizational and consultants' expenses; (3) payment of fees for preliminary feasibility studies and engineering and architectural work; (4) necessary application and other fees to federal, State and local government agencies; and (5) such other expenses as the Authority may deem appropriate to effectuate the purposes of this Act.

(c) "Assisted mortgage financing" means a below market interest rate mortgage insured or purchased, or a loan made, by the Secretary of the United States Department of Housing and Urban Development or by any other federal agency or governmental corporation or by any political subdivision of the State of Illinois or by any Illinois public corporation; a market interest rate mortgage insured or purchased, or a loan made in combination with, or as augmented by, a program of rent supplements, interest subsidies, leasing, contributions or grants, or other programs as are now or hereafter authorized by federal law to serve low or moderate income persons; a mortgage or loan made pursuant to this Act; or a mortgage or loan from any private or public source with an interest rate and terms satisfactory to the Authority and which will meet the requirements and purposes of this Act.

(d) "Lending institution" means any bank, trust company, savings bank, savings and loan association, credit union, national banking association, mortgage banking association, federal savings and loan association or federal credit unit maintaining an office in the State, any insurance company or any other entity or organization which makes or acquires loans secured by real property.

(e) "Residential mortgage" means a loan owed to a lending institution, to the Authority or to a trustee for holders of bonds or notes of the Authority or to a trustee for owners of pools of mortgages, and secured by a lien on real property located in the State and improved by a residential structure or a mixed residential and commercial structure, or unimproved if the proceeds of such loan shall be used for the erection of a residential structure or a mixed residential and commercial structure thereon, whether or not such loan is insured or guaranteed by the United States of America or any agency or corporation thereof.

(f) "Development" means a specific work or improvement undertaken to provide dwelling accommodations, including the acquisition, construction or rehabilitation of lands, buildings and community facilities and in connection therewith to provide nonhousing facilities which are a part of a planned large-scale project or new community.

(g) "Persons and families of low and moderate income" and "Low income or moderate income persons" means families and persons who cannot afford to pay the amounts at which private enterprise, without assisted mortgage financing, is providing a substantial supply of decent, safe and sanitary housing. The income limits for the admission of such families and persons to developments shall be those established pursuant to the rules applicable to the assisted mortgage financing program under which such developments are financed.

(h) "Moderate rentals" means rent charges less than those rents generally charged for new dwelling units of comparable size and location built by the unassisted efforts of private enterprise and financed at then current market interest rates.

(i) "Low rentals" means rent charges at least 10% lower than moderate rentals.

(j) "Rents" or "Rentals" shall mean fees or charges paid for use of a development under this Act, whether the development is operated on a landlord-tenant basis or as a condominium or cooperative.

(k) "Limited-profit entity" means any individual, joint venture, partnership, limited partnership, trust or corporation organized or existing under the laws of the State of Illinois or authorized to do business in this State and having articles of incorporation or comparable documents of organization or a written agreement with the Authority which, in addition to other requirements of law, provide that if the limited-profit entity receives any loan from the Authority as provided for in this Act, it shall be authorized to enter into an agreement with the Authority providing for regulations with respect to rents, profits, dividends and disposition of property or franchises.

(l) "Land development" means the process of clearing and grading land, making, installing, or constructing waterlines and water supply installations, sewerlines and sewage disposal installations, steam, gas, and electric lines and installations, roads, streets, curbs, gutters, sidewalks, storm drainage facilities, and other installations or work, whether on or off the site, necessary or desirable to prepare land for residential, commercial, industrial, or other uses, or to provide facilities for public or common use.

(m) "Nonprofit corporation" means a nonprofit corporation

incorporated pursuant to the provisions of the Illinois General Not For Profit Corporation Act or the State Housing Act of 1933 and having articles of incorporation which, in addition to other requirements of law, provide:

(1) that the corporation has been organized to provide housing facilities for persons of low and moderate income;

(2) that all income and earnings of the corporation shall be used exclusively for corporation purposes and that no part of the net income or net earnings of the corporation shall inure to the benefit or profit of any private individual, firm, corporation, partnership, or association;

(3) that the corporation is in no manner controlled or under the direction or acting in the substantial interest of private individuals, firms, corporations, partnerships, or associations seeking to derive profit or gain therefrom or seeking to eliminate or minimize losses in any dealings or transactions therewith;

(4) that if the corporation receives any loan or advance from the Authority as provided for in this Act, it shall be authorized to enter into an agreement with the Authority providing for regulation with respect to rents, profits, dividends, and disposition of property or franchises;

(5) that if the corporation receives a loan or advance, as provided for in this Act, the chairman of the Authority, acting with the prior approval of the majority of the members of the Authority, shall have the power if he determines that any such loan or advance is in jeopardy of not being repaid, or that the proposed development for which such loan or advance was made is in jeopardy of not being constructed, or that some part of the net income or net earnings of the corporation is inuring to the benefit of any private individual, firm, corporation, partnership, or association, or that the corporation is in some manner controlled or under the direction of or acting in the substantial interest of any private individual, firm, corporation, partnership, or association seeking to derive benefit or gain therefrom or seeking to eliminate or minimize losses in any dealings or transactions therewith, or is in violation of rules and regulations promulgated by the Authority to appoint to the board of directors of such corporation a number of new directors, which number shall be sufficient to constitute a majority of such board, notwithstanding any other provisions of such articles of incorporation or of any other provisions of law; and

(6) that each development of such corporation shall be operated exclusively for the benefit of the persons who are housed in such development which shall include families or persons of low or moderate income as required by this Act, and that such development shall reserve for families or persons of low or moderate income the number and types of dwelling units required by applicable federal or State law.

The requirements contained in paragraphs (2), (3), (5) and (6) are not mandatory in the case of loans made solely from the Authority's administrative fund.

(n) "State" means the State of Illinois.

(o) "Community facilities" means the land, buildings, improvements and equipment for land development, for health, welfare, recreational, social, educational and commercial activities, and for public, common or municipal services.

(p) "Sinking fund payment" means the amount of money

specified in the resolution or resolutions authorizing term bonds as payable into a sinking fund during a particular period for the retirement of term bonds at maturity after such period, but shall not include any amount payable by reason only of the maturity of a bond.

(q) "Housing related commercial facilities" means commercial facilities which are or are to be related to a development. Commercial facilities are related to a development if they are, in the sole judgment of the Authority, located in the same area as the development and (i) necessary or desirable in order to provide services for residents of that area in which the development is located; or (ii) a portion of the revenues of the commercial facilities are to be used to provide funds for paying costs of construction, acquisition, rehabilitation, operation, maintenance of or payment of debt service on the development or (iii) necessary or desirable in order to make the development successful, such as, without limitation, eliminating or preventing slum or blighted conditions, preserving historic structures or ensuring that facilities are not inconsistent with the development. For purposes of this Section, "commercial facilities" includes land, buildings, improvements, equipment and all ancillary facilities for use for offices, stores, retirement homes, hotels, financial institutions, service health care, education, recreation or research establishments or any other commercial purpose.

(r) "Rate protection contract" means interest rate exchange agreements; currency exchange agreements; forward payment conversion agreements; contracts providing for payment or receipt of funds based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices; contracts to exchange cash flows or a series of payments; contracts, including without limitation, interest rate caps; interest rate floors; interest rate locks; interest rate collars; rate of return guarantees or assurances, to manage payment, currency, rate, spread or similar exposure; the obligation, right, or option to issue, put, lend, sell, grant a security interest in, buy, borrow or otherwise acquire, a bond, note or other security or interest therein as an investment, as collateral, as a hedge, or otherwise as a source or assurance of payment to or by the Authority or as a reduction of the Authority's or an obligor's risk exposure; repurchase agreements; securities lending agreements; and other agreements or arrangements similar to the foregoing.

(s) "Affordable Housing Program Trust Fund Bonds or Notes" means bonds or notes issued by the Authority pursuant to the provisions of this Act for the purposes of providing affordable housing to low and very low income persons as provided in the Illinois Affordable Housing Act through the use or pledge, in whole or in part, of Trust Fund Moneys dedicated or otherwise made available to the Authority.

(t) "Trust Fund Moneys" has the meaning given to that term in Section 3 of the Illinois Affordable Housing Act.
(Source: P.A. 98-260, eff. 8-9-13.)

(20 ILCS 3805/3) (from Ch. 67 1/2, par. 303)

Sec. 3. It is hereby found and declared that as a result of public actions involving highways, public facilities and urban renewal projects and as a result of the spread of slum conditions and blight to formerly sound neighborhoods and as a result of high costs of heating dwelling units, and as a result of the shortage of and high cost of financing for housing, there exists within Illinois a serious shortage, of decent, safe, and sanitary housing available at low and moderate rentals to persons and families of low and moderate income. This shortage

is inimical to the safety, health, morals and welfare of the residents of this State and the sound growth of its communities. Private enterprise and investment, without the assistance contemplated in this Act, is not disposed to nor can it economically achieve the needed construction of decent, safe and sanitary housing at rentals which persons and families of low and moderate income can afford, nor is it disposed nor can it so achieve the urgently needed rehabilitation of existing housing or the provision of existing housing to those persons and families at those rentals. It is, therefore, imperative that the cost of mortgage financing, a major factor materially affecting rental levels in housing built by private enterprise, be made lower in order to reduce rental levels for low and moderate income persons and families; that the supply of housing for persons and families displaced by public action or natural disaster be increased; and that private enterprise be encouraged to acquire, build and rehabilitate housing which will help prevent the recurrence of slum conditions and assist in their permanent elimination by housing persons of varied economic means in the same structures and neighborhoods.

It is further found and declared that the serious shortage of decent, safe and sanitary housing in the State of Illinois is in large measure caused by recurring critical shortages of funds in private lending institutions available for residential mortgages at reasonable interest rates. These shortages have contributed to serious reductions in construction starts of new residential units and in rehabilitation of existing housing. The unaided operations of private enterprise have not met and cannot consistently meet the need for increased funds for residential mortgage financing.

It is further found and declared that urban growth in this State is not taking place in an efficient and well-planned manner. Many existing and planned industrial and commercial facilities are not easily accessible to the places of residence of substantial numbers of unemployed persons. The unaided efforts of private enterprise have not met and cannot meet the needs of providing residential dwellings in conjunction with or easily accessible to such industrial and commercial facilities due to problems encountered in assembling suitable building sites, the lack of adequate public services, the unavailability of private capital for development in such areas, and the inability of private enterprise alone to plan, finance and coordinate industrial and commercial development with residential development for persons and families of low and moderate income and with public services and mass transportation facilities.

It is further found and declared that the development and provision of decent, safe and sanitary housing available at low and moderate rentals to persons and families of low and moderate income is being adversely affected, in various areas, by the failure of those areas to have adequate commercial facilities to serve the areas in which such housing may be provided under this Act. It is further found and declared that the coordinated development of commercial facilities in conjunction with housing facilities can assist in providing decent, safe and sanitary housing available at low and moderate rentals to persons and families of low and moderate income. Moreover, the provision of housing related commercial facilities will serve to provide employment, which is needed in the State because of the serious and long standing level of unemployment in the State, with the consequential reduction of public revenues and increased costs of public services.

It is further found and declared that in the absence of direct governmental subsidies the unaided operations of private enterprise do not provide sufficient resources for residential

construction, rehabilitation, rental or purchase, and that support from housing related commercial facilities is one means of stimulating residential construction, rehabilitation, rental and purchase.

It is further found and declared that cost-effective construction materials and techniques can significantly reduce normal heating costs, but that the bargaining power of prospective low and moderate income tenants or owners of housing developed under this Act is insufficient to assure the utilization of such materials and techniques, and thus to assure affordable heat to those who are the intended beneficiaries of this Act.

It is further found and declared that demolition and conversion of single room occupancy hotels has exacerbated the shortage of affordable housing for low-income persons.

It is further found and declared that the supply of decent, safe and sanitary housing available at low and moderate rentals to persons and families of low and moderate income is threatened by the potential prepayment of federally subsidized mortgages.

Based upon the above findings and declarations it is therefore determined and declared that there exist unacceptable conditions in the State which require the creation of a body politic and corporate with power to issue notes and bonds in order to make loans for the acquisition, construction and rehabilitation of housing, community facilities and housing related commercial facilities, acquire and develop land for large-scale planned developments and new communities and, as a means of encouraging home ownership, make loans to and purchase residential mortgages from private lending institutions.
(Source: P.A. 87-250.)

(20 ILCS 3805/4) (from Ch. 67 1/2, par. 304)

Sec. 4. There is hereby created a body politic and corporate to be known as the Illinois Housing Development Authority. The Authority shall consist of 9 members, including a senior citizen age 60 or older, of whom not more than three shall be from any one county in the State and of whom not more than 5 shall be of any one political party. The Governor shall appoint the members of the Authority by and with the advice and consent of the Senate. Three members first appointed shall hold office until the second Monday in January, 1971 and until their successors are appointed and qualified and four members shall hold office until the second Monday in January, 1973 and until their successors are appointed and qualified. The members first appointed under this amendatory Act of 1984 shall serve for a term of 4 years, commencing with the second Monday in January, 1985. After the expiration of the terms of office of those first appointed, their respective successors shall hold office from the second Monday in January of the year of their respective appointments for a term of four years and until their successors are appointed and qualified. In case of vacancies in such offices during the recess of the Senate, the Governor shall make a temporary appointment until the next meeting of the Senate when he shall nominate some person to fill such office, and any person so nominated, who is confirmed by the Senate, shall hold his office during the remainder of the term and until his successor shall be appointed and qualified. If the Senate is not in session at the time this provision takes effect, the Governor shall make a temporary appointment as in the case of a vacancy.
(Source: P.A. 83-1538.)

(20 ILCS 3805/4.1) (from Ch. 67 1/2, par. 304.1)

Sec. 4.1. (a) No member of the Authority or officer, agent or employee thereof shall, in his or her own name or in the name

of a nominee, be an officer, director or hold an ownership interest of more than 7 1/2% in any person, association, trust, corporation, partnership or other entity which is, in its own name or in the name of a nominee, a party to a contract or agreement upon which the member or officer, agent or employee may be called upon to act or vote.

(b) With respect to any direct or any indirect interest, other than an interest prohibited in subsection (a), in a contract or agreement upon which the member or officer, agent or employee may be called upon to act or vote, a member of the Authority or officer, agent or employee thereof shall disclose the same to the secretary of the Authority prior to the taking of final action by the Authority concerning such contract or agreement and shall so disclose the nature and extent of such interest and his or her acquisition thereof, which disclosures shall be publicly acknowledged by the Authority and entered upon the minutes of the Authority. If a member of the Authority or officer, agent or employee thereof holds such an interest then he or she shall refrain from any further official involvement in regard to such contract or agreement, from voting on any matter pertaining to such contract or agreement, and from communicating with other members of the Authority or its officers, agents and employees concerning said contract or agreement. Notwithstanding any other provision of law, any contract or agreement entered into in conformity with this subsection (b) shall not be void or invalid by reason of the interest described in this subsection, nor shall any person so disclosing the interest and refraining from further official involvement as provided in this subsection be guilty of an offense, be removed from office or be subject to any other penalty on account of such interest.

(c) Any contract or agreement made in violation of paragraphs (a) or (b) of this Section shall be null and void and give rise to no action against the Authority. No real estate to which a member or employee of the Authority holds legal title or in which such person has any beneficial interest, including any interest in a land trust, shall be purchased by the Authority or by a nonprofit corporation or limited-profit entity for a development or any housing related commercial facilities to be financed under this Act. All members and employees of the Authority shall file annually with the Authority a record of all real estate in this State to which such person holds legal title or in which such person has any beneficial interest, including any interest in a land trust. In the event it is later disclosed that the Authority has purchased real estate in which a member or employee had an interest, such purchase shall be voidable by the Authority and the member or employee involved shall be disqualified from membership in or employment by the Authority. (Source: P.A. 83-1528.)

(20 ILCS 3805/5) (from Ch. 67 1/2, par. 305)

Sec. 5. The Governor shall designate the Chairman, from time to time, and the Authority shall annually elect from its membership a vice chairman a treasurer, and a secretary. The Chairman shall be the chief executive officer of the Authority. The secretary shall keep a record of the proceedings of the Authority. The treasurer of the Authority shall be custodian of all Authority funds, and shall be bonded in such amount as the other members of the Authority may designate. The accounts and books of the Authority shall be set up and maintained in a manner approved by the Auditor General, and the Authority shall file with the Auditor General a certified annual report within 120 days after the close of its fiscal year. The Authority shall also file with the Governor, the Secretary of the Senate, the Clerk of the House of Representatives and the Commission on

Government Forecasting and Accountability, by March 1 of each year, a written report covering its activities, and any activities of any instrumentality corporation established pursuant to this Act, for the previous fiscal year and, when so filed, such report shall be a public record and open for inspection at the offices of the Authority during normal business hours. The report shall include a complete list of (a) all applications for mortgage loans and other financial assistance regarding developments of more than four living units presented to the members of the Authority during such fiscal year, (b) all developments and housing related commercial facilities and the owners thereof which have received any form of financial assistance from the Authority during such fiscal year, (c) the nature and amount of all such financial assistance, (d) the dwelling unit distribution and estimated rent structure for each development financed by the Authority during such fiscal year, (e) projected activities of the Authority for the next fiscal year, including a projection of the total amount of mortgages and other financial assistance anticipated and the amount of revenue bonds or other evidences of indebtedness that will be necessary to provide the projected level of assistance during the next fiscal year, and (f) activities related to allocation of low-income housing credits. (Source: P.A. 93-1067, eff. 1-15-05.)

(20 ILCS 3805/6) (from Ch. 67 1/2, par. 306)

Sec. 6. Five members of the Authority shall constitute a quorum at any meeting of the Authority and the affirmative vote of 5 members shall be necessary for any action taken by the Authority at a meeting, except that the Authority may act by unanimous written consent if provided for in the by-laws of the Authority. No vacancy in the membership of the Authority shall impair the right of a quorum to exercise all the rights and perform all the duties of the Authority.

The members of the Authority shall serve without compensation, but each member shall be reimbursed for his necessary expenses incurred in the discharge of his official duties.

(Source: P.A. 83-1538.)

(20 ILCS 3805/7) (from Ch. 67 1/2, par. 307)

Sec. 7. The Authority may exercise the powers set forth in the following Sections preceding Section 8.

(Source: P.A. 96-1000, eff. 7-2-10.)

(20 ILCS 3805/7.1) (from Ch. 67 1/2, par. 307.1)

Sec. 7.1. The Authority may make non-interest bearing advances to nonprofit corporations for constructing or rehabilitating developments designed and planned to make housing available at low and moderate rentals to low and moderate income persons and families if such housing complies with the standards set by the Authority under this Act. No advances may be made unless the Authority may reasonably anticipate that assisted mortgage financing may be obtained for the permanent financing of the development. The proceeds of the advance may be used only to defray the development costs of such development.

(Source: P.A. 77-1654.)

(20 ILCS 3805/7.2) (from Ch. 67 1/2, par. 307.2)

Sec. 7.2. The Authority may make mortgage or other loans to non-profit corporations and limited-profit entities for the acquisition, construction or substantial or moderate rehabilitation of such developments as in the judgement of the Authority have promise of supplying, on a rental, cooperative,

condominium or home ownership basis, well planned, well designed energy-efficient housing for low or moderate income persons or families at low or moderate rentals in locations where there is a need for such housing. Such loans may be for development costs and construction financing as well as permanent financing, and may provide financing for community facilities to the extent permitted by applicable Authority regulations. The Authority may also make loans to individuals, joint ventures, partnerships, limited partnerships, trusts or corporations, including not-for-profit corporations, for the acquisition, construction, equipment or rehabilitation of housing related commercial facilities. When the Authority makes a loan for housing related commercial facilities, it may require as a condition of the loan that a portion of the borrower's receipts from the use of the facilities be used for the construction, acquisition, rehabilitation, operation or maintenance or payment of debt service on a development to which the facilities relate. The Authority may set from time to time the interest rates and other terms and conditions at which it shall make mortgage and other loans and may establish other terms and conditions with respect to the making of such loans, including the charging of fees or penalties for the late payment of principal and interest on its loans.

When the loan by the Authority is for the purpose of providing housing on a condominium or home ownership basis, sale of the housing units by the nonprofit corporation or limited-profit entity shall be to individual purchasers who are persons or families of low or moderate income and shall be subject to the approval of the Authority. Upon the sale by the nonprofit corporation or limited-profit entity of any housing unit to a low or moderate income person, such housing unit shall be released from the overall development mortgage running from the nonprofit corporation or limited-profit entity to the Authority and, as to such housing unit, the overall development mortgage shall be replaced by an individual mortgage running from the low or moderate income purchaser to the Authority. To secure notes or bonds of the Authority in connection with loans made pursuant to this Section for a development or other facilities, the Authority may require or obtain for the benefit of itself, the holders of the notes or bonds or their trustee, mortgages, pledges, assignments, liens, letters of credit, guarantees or other security interests or devices from any persons or entities, whether or not the owner of the development or facilities, and covering any property, real or personal, tangible or intangible, whether or not pertaining to the development or facilities.

When the Authority issues Affordable Housing Program Trust Fund Bonds or Notes in connection with loans made pursuant to this Section for financing low and very low income residential housing as provided in the Illinois Affordable Housing Act, to secure such bonds and notes, the Authority, in addition to the other devices, security interests, mortgages and rights provided by this Section and other provisions of this Act, may pledge and grant rights in Trust Fund Moneys as provided in Section 9 of the Illinois Affordable Housing Act.

(Source: P.A. 88-93.)

(20 ILCS 3805/7.3) (from Ch. 67 1/2, par. 307.3)

Sec. 7.3. The Authority may undertake and carry out studies and analyses of housing needs within the State and study ways of meeting such needs.

(Source: P.A. 76-1175.)

(20 ILCS 3805/7.4) (from Ch. 67 1/2, par. 307.4)

Sec. 7.4. The Authority may collect fees and charges in connection with its loans, commitments and servicing; and may provide technical assistance in the development of housing for low and moderate income persons and may charge and collect reasonable fees and charges in connection with such assistance. (Source: P.A. 83-1251.)

(20 ILCS 3805/7.5) (from Ch. 67 1/2, par. 307.5)

Sec. 7.5. The Authority may encourage research in demonstration projects to develop new and better techniques and methods for increasing the quality and supply of housing for low and moderate income persons, and make grants or loans, with or without interest, in connection therewith. (Source: P.A. 76-1175.)

(20 ILCS 3805/7.6) (from Ch. 67 1/2, par. 307.6)

Sec. 7.6. The Authority may adopt by-laws for the regulation of its affairs and the conduct of its business. (Source: P.A. 76-1175.)

(20 ILCS 3805/7.7) (from Ch. 67 1/2, par. 307.7)

Sec. 7.7. The Authority may adopt an official seal. (Source: P.A. 76-1175.)

(20 ILCS 3805/7.8) (from Ch. 67 1/2, par. 307.8)

Sec. 7.8. The Authority may sue and be sued in its own name. Upon application to a court of proper jurisdiction, injunctive relief shall issue in aid of the Authority's powers enumerated in Section 7.1 through 7.26 and subsections (k) and (m) of Section 2, notwithstanding any other provisions of law. The Authority may sue in its own name with respect to the enforcement of any construction, acquisition or management contract or other agreement in connection with any development or facility for which there has been a grant or loan by the Authority. (Source: P.A. 87-250.)

(20 ILCS 3805/7.9) (from Ch. 67 1/2, par. 307.9)

Sec. 7.9. The Authority may make and execute contracts and all other instruments necessary or convenient for the exercise of its power and functions. (Source: P.A. 76-1175.)

(20 ILCS 3805/7.10) (from Ch. 67 1/2, par. 307.10)

Sec. 7.10. The Authority may acquire, hold and dispose of personal property for its corporate purposes. (Source: P.A. 76-1175.)

(20 ILCS 3805/7.11) (from Ch. 67 1/2, par. 307.11)

Sec. 7.11. The Authority may enter into agreements or other transactions with any federal, or State or local governmental agency. (Source: P.A. 76-1175.)

(20 ILCS 3805/7.12) (from Ch. 67 1/2, par. 307.12)

Sec. 7.12. The Authority may acquire real property, or any interest therein, by purchase, foreclosure or otherwise; own, manage, operate, hold, clear, improve and rehabilitate such real property; and sell, assign, exchange, transfer, convey, lease, mortgage, or otherwise dispose of or encumber such real property. Any acquisition of real property, or an interest

therein, or mortgage loan by the Authority, shall be deemed an acquisition of real property and shall be subject to the requirements of section 11-12-4.1 of the Illinois Municipal Code of 1961, as amended.

(Source: P.A. 76-1175.)

(20 ILCS 3805/7.13) (from Ch. 67 1/2, par. 307.13)

Sec. 7.13. The Authority may invest any funds in mortgage participation certificates representing undivided interests in specified, first-lien conventional residential Illinois mortgages which are underwritten, insured, guaranteed or purchased by the Federal Home Loan Mortgage Corporation. The Authority may also invest any funds in such investments as may be lawful for fiduciaries in this State.

The Authority may also invest any funds in such investments as may be lawful for State or nationally-chartered banks, State or federally-chartered savings and loan associations or fiduciaries subject to the Employee Retirement Income Security Act of 1974.

(Source: P.A. 87-250.)

(20 ILCS 3805/7.14) (from Ch. 67 1/2, par. 307.14)

Sec. 7.14. The Authority may borrow money and issue its negotiable notes and bonds and secure the payment thereof by, among other things, the pledge, or assignment, or grant of a lien on or security interest of mortgages and notes of others, revenues derived from its operations and loan repayments and other funds, if any, received by the Authority, including, in connection with the issuance of Affordable Housing Program Trust Fund Bonds or Notes, the pledge of Trust Fund Moneys as provided in Section 9 of the Illinois Affordable Housing Act. For purposes of this Section and all other Sections of this Act, all references to and use of the terms "bonds" or "notes" issued or to be issued under this Act shall include reference to and include within the meaning of the term, Illinois Affordable Housing Program Trust Fund Bonds or Notes, unless the reference or term expressly excludes such bonds or notes.

(Source: P.A. 88-93.)

(20 ILCS 3805/7.15) (from Ch. 67 1/2, par. 307.15)

Sec. 7.15. The Authority may employ agents, employees, professional and business advisers as may from time to time be necessary in its judgment and fix their compensation. The Authority shall file copies of such contracts as required by the "State Comptroller Act", approved September 7, 1972, as amended.

(Source: P.A. 83-515.)

(20 ILCS 3805/7.16) (from Ch. 67 1/2, par. 307.16)

Sec. 7.16. Subject to its covenants with its noteholders and bondholders, the Authority may sell at public or private sale, any mortgage or other obligation held by the Authority.

(Source: P.A. 83-1251.)

(20 ILCS 3805/7.17) (from Ch. 67 1/2, par. 307.17)

Sec. 7.17. The Authority may procure insurance against any loss in connection with its property in such amounts, and from such insurers, as may be necessary or desirable. The Authority may acquire any instruments the purpose of which is to reduce the risk of loss due to fluctuation in the interest rate or market price of those investments or may enter into any agreements to insure, protect or preserve its investments from any loss (including, without limitation, loss caused by fluctuation in interest rates, markets or in securities) in such amounts and from such insurers, issuers or other parties as the

Authority deems appropriate.
(Source: P.A. 83-1251.)

(20 ILCS 3805/7.18) (from Ch. 67 1/2, par. 307.18)

Sec. 7.18. The Authority may consent, whenever it deems it necessary or desirable in the fulfillment of the purposes of this Act, to the modification, with respect to rate of interest; time of payment or any installment of principal or interest, or any other terms, of any mortgage, mortgage loan, mortgage loan commitment, other loan, contract or agreement of any kind to which the Authority is a party.

(Source: P.A. 83-1251.)

(20 ILCS 3805/7.19) (from Ch. 67 1/2, par. 307.19)

Sec. 7.19. The Authority may make and publish rules and regulations respecting the grant of loans under this Act and the regulation of borrowers, and such other rules and regulations as are necessary to effectuate the purposes of this Act.

(Source: P.A. 76-1175.)

(20 ILCS 3805/7.20) (from Ch. 67 1/2, par. 307.20)

Sec. 7.20. The Authority may accept gifts or grants or loans of funds or property or financial or other aid from any federal or state agency or private fund.

(Source: P.A. 76-1175.)

(20 ILCS 3805/7.21) (from Ch. 67 1/2, par. 307.21)

Sec. 7.21. The Authority may make grants to nonprofit corporations for operating, administrative and other expenses of planning, constructing, rehabilitating and operating developments under assisted or unassisted mortgage financing programs and may make grants to nonprofit corporations or limited-profit entities for the benefit of residents of developments in order to achieve lower rentals for some or all of the units within developments financed under assisted or unassisted mortgage financing programs.

(Source: P.A. 83-1251.)

(20 ILCS 3805/7.22) (from Ch. 67 1/2, par. 307.22)

Sec. 7.22. The Authority may act as the State land development agency in the carrying out of new community development programs and may issue notes and bonds for the financing of land development complying with the requirements for federal guarantees.

(Source: P.A. 77-1654.)

(20 ILCS 3805/7.22a) (from Ch. 67 1/2, par. 307.22a)

Sec. 7.22a. The Authority may act as a developer of land or structures to provide developments, community facilities or housing related commercial facilities. For that purpose it may utilize its various powers, including without limitation, acquiring, constructing, rehabilitating and equipping developments and facilities, granting mortgages or other security interests in them or disposing of them. It may be a partner in a partnership or limited partnership, a participant in joint ventures for that purpose and may participate in the syndication of partnership interests and may contribute funds in respect of its interests in partnerships or joint ventures.

(Source: P.A. 83-1251.)

(20 ILCS 3805/7.23) (from Ch. 67 1/2, par. 307.23)

Sec. 7.23. (a) The Authority may acquire, and contract and enter into advance commitments to acquire, residential mortgages

owned by lending institutions at purchase prices and upon other terms and conditions that are determined by the Authority. When acquiring those mortgages and contracts, the Authority may give priority consideration to contracts that include energy conservation measures, including, but not limited to, solar energy measures. The Authority may also give priority consideration when the mortgagor was a domiciliary of this State while serving on active duty in the military or naval service of the United States at any time during the period from August 1990 through August 1992 and was stationed outside the United States and in the "Desert Storm" theater of operations. The Authority may establish rules and regulations under this subsection, including provisions regarding energy conservation matters.

(b) The Authority may make and execute contracts with lending institutions for the servicing of residential mortgages acquired by the Authority under this Section and pay the reasonable value of services rendered to the Authority under those contracts.

(c) The Authority shall establish rules and regulations for the purchase of mortgages under this Section governing: the use that is to be made of amounts received by the lending institutions upon the purchase of mortgages by the Authority, including the proportion of those amounts, if any, that are to be used by the institution for making additional residential mortgages; the time within which lending institutions must make commitments and disbursements for residential mortgages, that time for the making of commitments to be established by the Authority; standards as to the number of dwelling units and other characteristics of residences, the construction, acquisition, improvement, or rehabilitation of which is to be financed by residential mortgages made or to be made by the lending institution; standards and requirements as to the condition of residential mortgages to be acquired by the Authority, the mortgagors under those mortgages, and the representations and warranties of the lending institutions in connection with that condition; and any other matters related to those purchases or the residential mortgages that are deemed relevant by the Authority.

(d) The Authority shall require from each lending institution from which residential mortgages are purchased under this Section the submission of evidence satisfactory to the Authority of compliance with the rules and regulations of the Authority; in that connection, the Authority may inspect the books and records of the lending institution.
(Source: P.A. 87-595.)

(20 ILCS 3805/7.24) (from Ch. 67 1/2, par. 307.24)

Sec. 7.24. (a) The Authority may make loans to lending institutions under terms and conditions which, in addition to other provisions as determined by the Authority, shall require the lending institutions to use a portion of the proceeds thereof for the making of residential mortgages, or loans for housing related commercial facilities, as the Authority shall specify, in an aggregate principal amount equal to the amount of such proceeds. When making loans from such proceeds for new residential mortgages under this Section, priority consideration may be given to loans which include energy conservation measures including, but not limited to, solar energy measures. The Authority may establish rules and regulations pursuant to this subsection.

(b) The Authority shall establish rules and regulations for the making of loans pursuant to this Section governing: the time within which lending institutions must make commitments and disbursements for new residential mortgages, which time for the

making of commitments shall be established by the Authority; standards as to the number of dwelling units and other characteristics of residences, the construction, acquisition, improvement or rehabilitation of which is to be financed by new residential mortgages; restrictions as to interest rate and other terms of residential mortgages or the return realized therefrom by the lending institution; the type and amount of collateral security to be provided by lending institutions to assure repayment of loans from the Authority; and any other matters related to such loans or residential mortgages as shall be deemed relevant by the Authority.

(c) The Authority shall require from each lending institution receiving loans under this Section the submission of evidence satisfactory to the Authority of compliance with the rules and regulations of the Authority and whatever documentation or evidence deemed appropriate by the Authority; in connection therewith, the Authority may inspect the books and records of such lending institution.

(Source: P.A. 83-1251.)

(20 ILCS 3805/7.24a) (from Ch. 67 1/2, par. 307.24a)

Sec. 7.24a. (a) The Authority may make, purchase, or participate in loans, grants, or deferred payment loans to persons and families of low and moderate income and to not-for-profit and limited-profit entities for the benefit of low and moderate income persons and families, to finance the development, improvement or rehabilitation of residential real property. When financing loans, grants, or deferred payment loans under this Section, the Authority may give priority to applications which include energy conservation measures including, but not limited to, solar energy systems.

(b) A loan or deferred payment loan under this Section may be secured or unsecured as determined by the Authority. A grant may be secured or unsecured as determined by the Authority, and shall be made under additional terms and conditions determined by the Authority.

(c) Loans under this Section may be in such principal amounts, bear interest at such rates, have such other terms and conditions and be repaid within such period as the Authority may determine.

(d) Loans under this Section financed by Affordable Housing Program Trust Fund Bonds or Notes or from Trust Fund Moneys shall be restricted to the purposes and subject to the limitations on use provided in the Illinois Affordable Housing Act.

(Source: P.A. 88-93.)

(20 ILCS 3805/7.24b) (from Ch. 67 1/2, par. 307.24b)

Sec. 7.24b. The Authority shall prescribe by rule for notification to affected parties and the A-95 agencies prior to any commitment on any development. The Authority shall report to the General Assembly no later than October 31, 1982 the status of such proposed rules.

(Source: P.A. 82-780.)

(20 ILCS 3805/7.24c) (from Ch. 67 1/2, par. 307.24c)

Sec. 7.24c. The Authority may, in instances in which it determines that it is necessary or desirable in order to carry out its purposes under this Act, form or consent to the formation of one or more instrumentality corporations pursuant to the General Not For Profit Corporation Act, as amended, or the State Housing Act, as amended. The Authority may be a member of the instrumentality corporations and the members and officers of the Authority from time to time may be members of the

governing board or officers of the instrumentality corporations. The Authority shall supervise the activities of the instrumentality corporations and may enter into agreements with them providing for the Authority to approve various aspects of their operations. The Authority may require that it approve aspects of the operation of the instrumentality corporations including, without limitation, the following: their charter and by-laws, their directors, their projects and expenditures and the issuance of their obligations. The Authority may agree to, and may take title to property of an instrumentality corporation upon its dissolution.
(Source: P.A. 83-1251.)

(20 ILCS 3805/7.24d) (from Ch. 67 1/2, par. 307.24d)

Sec. 7.24d. The Authority may issue or provide for the issuance of trust certificates or other obligations secured by or representing ownership in residential mortgages, may transfer residential mortgages to trusts to facilitate the issuance of such certificates or other obligations and may enter into trust agreements with respect to and providing for the securing of those certificates or other obligations.
(Source: P.A. 83-1251.)

(20 ILCS 3805/7.24e) (from Ch. 67 1/2, par. 307.24e)

Sec. 7.24e. (a) Not later than January 1, 1986, the Authority shall establish rules and regulations governing minimum energy efficiency standards in developments financed by the Authority and such other standards as may be deemed necessary by the Authority to assess, evaluate and compare the energy efficiency of current and proposed developments.

(b) After July 1, 1986, no commitment for assisted mortgage financing shall be made by the Authority for any new development unless the Authority certifies compliance with the minimum energy efficiency standards specified in its rules and regulations.
(Source: P.A. 83-1251.)

(20 ILCS 3805/7.24f) (from Ch. 67 1/2, par. 307.24f)

Sec. 7.24f. The Authority may issue bonds or notes in an aggregate amount not to exceed \$1,000,000 per year in each of fiscal years 1986, 1987, 1988 and 1989 for the purpose of financing single room occupancy facilities for low income individuals or families. If the Authority does not issue bonds or notes in such amount during any of those fiscal years, such financing authorization shall carry forward to the subsequent fiscal year. Such facilities must be determined by the Authority to be financially and operationally feasible, and such bond or note issuances are subject to the normal rating agency and financial market restrictions.
(Source: P.A. 84-706.)

(20 ILCS 3805/7.24g) (from Ch. 67 1/2, par. 307.24g)

Sec. 7.24g. (a) The Authority is hereby designated the State Housing Credit Agency and is charged with responsibility for administering low-income housing tax credits allocated to the State under Section 42 of the Internal Revenue Code of 1986, as amended. In fulfilling its responsibilities as the State Housing Credit Agency, the Authority is authorized to do all acts authorized or required under Section 42 of the Internal Revenue Code of 1986, as amended, and to:

(1) Establish a plan for allocation of low-income housing tax credits; prepare application forms for allocation of such tax credits; and make allocation of such tax credits to eligible individuals and corporations.

(2) Initiate marketing, education and out-reach projects throughout the State to maximize utilization of all available low-income housing tax credits.

(3) Provide technical assistance and training to local governments, including home rule jurisdictions, to encourage coordination of local, State and federal resources with the allocation of low-income housing tax credits.

(4) Accept and allocate low-income housing tax credits that may be transferred from Illinois home rule jurisdictions.

(5) Assess fees to cover the costs of allocating and administering the tax credits.

(b) Commencing in calendar year 1990, the aggregate unused housing tax credit dollar amount of all home rule jurisdictions available pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, shall be as of June 1 of each calendar year reserved to the Authority for allocation by the Authority in the same manner as the Authority allocates low-income housing tax credits allocated to the State; provided that this reservation shall not apply to the housing tax credit amount of a city with over 2,000,000 inhabitants.

This amendatory Act of 1989 is intended to alter the allocation of low-income housing tax credits to home rule units, other than a municipality with over 2,000,000 inhabitants otherwise conferred pursuant to Section 42 of the Internal Revenue Code of 1986, as amended.

(Source: P.A. 86-40; 87-250.)

(20 ILCS 3805/7.24h) (from Ch. 67 1/2, par. 307.24h)

Sec. 7.24h. The Authority may use its administrative funds for loans or grants to finance the cost of rehabilitating housing units for the homeless mentally ill. For purposes of this Section, a person is "homeless" if such person has no permanent or temporary housing.

The Authority shall, within 90 days after the effective date of this amendatory Act of 1989, develop a plan for making rehabilitated housing units financed by the Authority available to the homeless mentally ill.

(Source: P.A. 86-812.)

(20 ILCS 3805/7.25) (from Ch. 67 1/2, par. 307.25)

Sec. 7.25. The Authority may do any and all things necessary or convenient to carry out its purposes and exercise the powers, either separately or jointly, expressly given and granted in this Act.

(Source: P.A. 83-1251.)

(20 ILCS 3805/7.26) (from Ch. 67 1/2, par. 307.26)

Sec. 7.26. In connection with the acquisition or carrying of the Authority's investments, in connection with issuances by the Authority of its bonds and notes for purposes of the Authority's programs or in support of its bonds and notes outstanding, or in connection with any other of its corporate purposes, the Authority, for its own benefit or for the benefit of the holders of notes or bonds of the Authority or their trustee, may enter into rate protection contracts and related credit enhancement or liquidity agreements. The Authority shall enter into a rate protection contract only pursuant to a determination that the terms of the rate protection contracts and any related agreements reduce the risk of loss to the Authority or protect, preserve or enhance the value of its assets. The determination may be made, and the terms and conditions of any rate protection contract may be approved, by the members or may be delegated by

the members, in particular cases or generally, to any 2 of the chairman, the vice chairman, the director, the deputy director, the treasurer or the assistant treasurer of the Authority. The Authority's obligations under any rate protection contract shall not be considered bonds or notes for purposes of this Act.
(Source: P.A. 87-250.)

(20 ILCS 3805/7.27)

Sec. 7.27. The Authority may offer non-recourse reverse mortgage loans to qualified borrowers with the same restrictions and requirements as prescribed in Section 6.1 of the Illinois Banking Act. The Authority may seek funds from the Federal Home Loan Bank of Chicago to fund reverse mortgage loans made under this Section. Reverse mortgage loans may be made under terms which qualify the loans for purchase by the Federal National Mortgage Association.
(Source: P.A. 88-327.)

(20 ILCS 3805/7.28)

Sec. 7.28. Tax credit for donation to sponsors. The Authority may administer and adopt rules for an affordable housing tax donation credit program to provide tax credits for donations as set forth in this Section.

(a) In this Section:

"Administrative housing agency" means either the Authority or an agency of the City of Chicago.

"Affordable housing project" means either:

(1) a rental project in which at least 25% of the units have rents (including tenant-paid heat) that do not exceed, on a monthly basis, maximum gross rent figures, as published by the Authority, that are:

(i) based on data published annually by the U.S. Department of Housing and Urban Development;

(ii) based on the annual income of households earning 60% of the area median income;

(iii) computed using a 30% of gross monthly income standard; and

(iv) adjusted for unit size and at least 25% of the units are occupied by persons and families whose incomes do not exceed 60% of the median family income for the geographic area in which the residential unit is located; or

(2) a unit for sale to homebuyers whose gross household income is at or below (A) 60% of the area median income (for taxable years beginning prior to January 1, 2022) or (B) 120% of the area median income (for taxable years beginning on or after January 1, 2022) and who pay no more than 30% of their gross household income for mortgage principal, interest, property taxes, and property insurance (PITI).

"Donation" means money, securities, or real or personal property that is donated to a not-for-profit sponsor that is used solely for costs associated with either (i) purchasing, constructing, or rehabilitating an affordable housing project in this State, (ii) an employer-assisted housing project in this State, (iii) general operating support, or (iv) technical assistance as defined by this Section.

"Employer-assisted housing project" means either down-payment assistance, reduced-interest mortgages, mortgage guarantee programs, rental subsidies, or individual development account savings plans that are provided by employers to employees to assist in securing affordable housing near the workplace, that are restricted to housing near the workplace, and that are restricted to employees whose gross household

income is at or below 120% of the area median income.

"General operating support" means any cost incurred by a sponsor that is a part of its general program costs and is not limited to costs directly incurred by the affordable housing project.

"Geographical area" means the metropolitan area or county designated as an area by the federal Department of Housing and Urban Development under Section 8 of the United States Housing Act of 1937, as amended, for purposes of determining fair market rental rates.

"Median income" means the incomes that are determined by the federal Department of Housing and Urban Development guidelines and adjusted for family size.

"Project" means an affordable housing project, an employer-assisted housing project, general operating support, or technical assistance.

"Sponsor" means a not-for-profit organization that (i) is organized as a not-for-profit organization under the laws of this State or another state and (1) for an affordable housing project, has as one of its purposes the development of affordable housing; (2) for an employer-assisted housing project, has as one of its purposes home ownership education; and (3) for a technical assistance project, has as one of its purposes either the development of affordable housing or home ownership education; (ii) is organized for the purpose of constructing or rehabilitating affordable housing units and has been issued a ruling from the Internal Revenue Service of the United States Department of the Treasury that the organization is exempt from income taxation under provisions of the Internal Revenue Code; or (iii) is an organization designated as a community development corporation by the United States government under Title VII of the Economic Opportunity Act of 1964.

"Tax credit" means a tax credit allowed under Section 214 of the Illinois Income Tax Act.

"Technical assistance" means any cost incurred by a sponsor for project planning, assistance with applying for financing, or counseling services provided to prospective homebuyers.

(b) A sponsor must apply to an administrative housing agency for approval of the project. The administrative housing agency must reserve a specific amount of tax credits for each approved project. Tax credits for general operating support can only be reserved as part of a reservation of tax credits for an affordable housing project, an employer-assisted housing project, or technical assistance. No tax credits shall be allowed for a project without a reservation of such tax credits by an administrative housing agency for that project.

(c) The Authority must adopt rules establishing criteria for eligible costs and donations, issuing and verifying tax credits, and selecting projects that are eligible for a tax credit.

(d) Tax credits for employer-assisted housing projects are limited to that pool of tax credits that have been set aside for employer-assisted housing. Tax credits for general operating support are limited to 10% of the total tax credit reservation for the related project (other than general operating support) and are also limited to that pool of tax credits that have been set aside for general operating support. Tax credits for technical assistance are limited to that pool of tax credits that have been set aside for technical assistance.

(e) The amount of tax credits reserved by the administrative housing agency for an approved project is limited to \$32,850,352 in State fiscal years 2022 and 2023 and shall increase by 5% each fiscal year thereafter. The City of Chicago shall receive 24.5% of total tax credits authorized for each fiscal year. The

Authority shall receive the balance of the tax credits authorized for each fiscal year. The tax credits may be used anywhere in this State. The tax credits have the following set-asides:

- (1) for employer-assisted housing projects, \$2 million; and
- (2) for general operating support and technical assistance, \$1 million.

The balance of the funds must be used for affordable housing projects. During the first 9 months of a fiscal year, if an administrative housing agency is unable to reserve the tax credits set aside for the purposes described in subsection (e), the administrative housing agency may reserve the tax credits for any approved projects.

(f) The administrative housing agency that reserves tax credits for an affordable housing project must record against the land upon which the affordable housing project is located an instrument to assure that the property maintains its affordable housing compliance for a minimum of 10 years. The Authority has flexibility to assure that the instrument does not cause undue hardship on homeowners.

(Source: P.A. 102-175, eff. 7-29-21.)

(20 ILCS 3805/7.29)

Sec. 7.29. National Guard and Reservist homebuyer assistance.

(a) Subject to appropriation, the Authority shall establish and administer a guardsman and reservist homebuyer assistance program. Under the program, an eligible applicant may apply to a lender approved by the Authority for financial assistance for a portion of the down payment on the purchase of a house. The financial assistance: (i) shall not exceed 10% of the first \$100,000 of the purchase price of the house, (ii) shall not exceed 5% of any amount of the purchase price in excess of \$100,000, (iii) shall not exceed a total of \$15,000, and (iv) shall be in the form of a grant to the approved eligible applicant. An eligible applicant may apply for financial assistance up to 3 years following the completion of active duty.

(b) As used in this Section, "eligible applicant" means a member of the Illinois National Guard or the reserves of the Armed Forces of the United States called to active duty after September 11, 2001 who is a legal resident of the State of Illinois and who was a legal resident of this State when called to active duty.

(c) The Authority shall adopt necessary rules for the implementation of this Section, including rules for the solicitation, collection, and approval of applications and for the distribution of program grants.

(Source: P.A. 95-285, eff. 8-20-07.)

(20 ILCS 3805/7.30)

Sec. 7.30. Foreclosure Prevention Program.

(a) The Authority shall establish and administer a Foreclosure Prevention Program. The Authority shall use moneys in the Foreclosure Prevention Program Fund, and any other funds appropriated for this purpose, to make grants to (i) approved counseling agencies for approved housing counseling and (ii) approved community-based organizations for approved foreclosure prevention outreach programs. The Authority shall promulgate rules to implement this Program and may adopt emergency rules as soon as practicable to begin implementation of the Program.

(b) Subject to appropriation and the annual receipt of funds, the Authority shall make grants from the Foreclosure

Prevention Program Fund derived from fees paid as specified in subsection (a) of Section 15-1504.1 of the Code of Civil Procedure as follows:

(1) 25% of the moneys in the Fund shall be used to make grants to approved counseling agencies that provide services in Illinois outside of the City of Chicago. Grants shall be based upon the number of foreclosures filed in an approved counseling agency's service area, the capacity of the agency to provide foreclosure counseling services, and any other factors that the Authority deems appropriate.

(2) 25% of the moneys in the Fund shall be distributed to the City of Chicago to make grants to approved counseling agencies located within the City of Chicago for approved housing counseling or to support foreclosure prevention counseling programs administered by the City of Chicago.

(3) 25% of the moneys in the Fund shall be used to make grants to approved community-based organizations located outside of the City of Chicago for approved foreclosure prevention outreach programs.

(4) 25% of the moneys in the Fund shall be used to make grants to approved community-based organizations located within the City of Chicago for approved foreclosure prevention outreach programs, with priority given to programs that provide door-to-door outreach.

(b-1) Subject to appropriation and the annual receipt of funds, the Authority shall make grants from the Foreclosure Prevention Program Graduated Fund derived from fees paid as specified in paragraph (1) of subsection (a-5) of Section 15-1504.1 of the Code of Civil Procedure, as follows:

(1) 30% shall be used to make grants for approved housing counseling in Cook County outside of the City of Chicago;

(2) 25% shall be used to make grants for approved housing counseling in the City of Chicago;

(3) 30% shall be used to make grants for approved housing counseling in DuPage, Kane, Lake, McHenry, and Will Counties; and

(4) 15% shall be used to make grants for approved housing counseling in Illinois in counties other than Cook, DuPage, Kane, Lake, McHenry, and Will Counties provided that grants to provide approved housing counseling to borrowers residing within these counties shall be based, to the extent practicable, (i) proportionately on the amount of fees paid to the respective clerks of the courts within these counties and (ii) on any other factors that the Authority deems appropriate.

The percentages set forth in this subsection (b-1) shall be calculated after deduction of reimbursable administrative expenses incurred by the Authority, but shall not be greater than 4% of the annual appropriated amount.

(b-5) As used in this Section:

"Approved community-based organization" means a not-for-profit entity that provides educational and financial information to residents of a community through in-person contact. "Approved community-based organization" does not include a not-for-profit corporation or other entity or person that provides legal representation or advice in a civil proceeding or court-sponsored mediation services, or a governmental agency.

"Approved foreclosure prevention outreach program" means a program developed by an approved community-based organization that includes in-person contact with residents to provide (i) pre-purchase and post-purchase home ownership counseling, (ii)

education about the foreclosure process and the options of a mortgagor in a foreclosure proceeding, and (iii) programs developed by an approved community-based organization in conjunction with a State or federally chartered financial institution.

"Approved counseling agency" means a housing counseling agency approved by the U.S. Department of Housing and Urban Development.

"Approved housing counseling" means in-person counseling provided by a counselor employed by an approved counseling agency to all borrowers, or documented telephone counseling where a hardship would be imposed on one or more borrowers. A hardship shall exist in instances in which the borrower is confined to his or her home due to a medical condition, as verified in writing by a physician, advanced practice registered nurse, or physician assistant, or the borrower resides 50 miles or more from the nearest approved counseling agency. In instances of telephone counseling, the borrower must supply all necessary documents to the counselor at least 72 hours prior to the scheduled telephone counseling session.

(c) (Blank).

(c-5) Where the jurisdiction of an approved counseling agency is included within more than one of the geographic areas set forth in this Section, the Authority may elect to fully fund the applicant from one of the relevant geographic areas.

(Source: P.A. 99-581, eff. 1-1-17; 100-513, eff. 1-1-18.)

(20 ILCS 3805/7.31)

Sec. 7.31. Abandoned Residential Property Municipality Relief Program.

(a) The Authority shall establish and administer an Abandoned Residential Property Municipality Relief Program. The Authority shall use moneys in the Abandoned Residential Property Municipality Relief Fund, and any other funds appropriated for this purpose, to make grants to municipalities and to counties to assist with costs incurred by the municipality or county for: cutting of neglected weeds or grass, trimming of trees or bushes, and removal of nuisance bushes or trees; extermination of pests or prevention of the ingress of pests; removal of garbage, debris, and graffiti; boarding up, closing off, or locking windows or entrances or otherwise making the interior of a building inaccessible to the general public; surrounding part or all of an abandoned residential property's underlying parcel with a fence or wall or otherwise making part or all of the abandoned residential property's underlying parcel inaccessible to the general public; demolition of abandoned residential property; and repair or rehabilitation of abandoned residential property, as approved by the Authority under the Program. For purposes of this subsection (a), "pests" has the meaning ascribed to that term in subsection (c) of Section 11-20-8 of the Illinois Municipal Code. The Authority shall promulgate rules for the administration, operation, and maintenance of the Program and may adopt emergency rules as soon as practicable to begin implementation of the Program.

(b) Subject to appropriation and the annual receipt of funds, the Authority shall make grants from the Abandoned Residential Property Municipality Relief Fund derived from fees paid as specified in paragraph (1) of subsection (a-5) of Section 15-1504.1 and subsection (a) of Section 15-1507.1 of the Code of Civil Procedure as follows:

(1) 30% of the moneys in the Fund shall be used to make grants to municipalities other than the City of Chicago in Cook County and to Cook County;

(2) 25% of the moneys in the Fund shall be used to

make grants to the City of Chicago;

(3) 30% of the moneys in the Fund shall be used to make grants to municipalities in DuPage, Kane, Lake, McHenry and Will Counties, and to those counties; and

(4) 15% of the moneys in the Fund shall be used to make grants to municipalities in Illinois in counties other than Cook, DuPage, Kane, Lake, McHenry, and Will Counties, and to counties other than Cook, DuPage, Kane, Lake, McHenry, and Will Counties. Grants distributed to the municipalities and counties shall be based on (i) areas of greatest need within these counties, which shall be determined, to the extent practicable, proportionately on the amount of fees paid to the respective clerks of the courts within these counties, and (ii) on any other factors that the Authority deems appropriate.

The percentages set forth in this subsection (b) shall be calculated after deduction of reimbursable administrative expenses incurred by the Authority, but shall not be greater than 4% of the annual appropriated amount.

(c) Where the jurisdiction of a municipality is included within more than one of the geographic areas set forth in this Section, the Authority may elect to fully fund the municipality from one of the relevant geographic areas.

(Source: P.A. 97-1164, eff. 6-1-13; 98-20, eff. 6-11-13.)

(20 ILCS 3805/7.32)

Sec. 7.32. American Rescue Plan Homeowner Assistance and Emergency Rental Assistance. The Authority may receive, directly or indirectly, federal funds from the Homeowner Assistance Fund authorized under Section 3206 of the federal American Rescue Plan Act of 2021 (Public Law 117-2), and may use the funds only in the manner and for the purposes authorized therein and in related federal guidance. The Authority may receive, directly or indirectly, federal funds from the Emergency Rental Assistance Program authorized under Section 3201 of the federal American Rescue Plan Act of 2021 and Section 501 of Subtitle A of Title V of Division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260), and may use the funds only in the manner and for the purposes authorized therein and in related federal guidance.

(Source: P.A. 102-16, eff. 6-17-21.)

(20 ILCS 3805/8) (from Ch. 67 1/2, par. 308)

Sec. 8. The Authority may, pursuant to its rules or regulations, or pursuant to agreements with persons to whom it makes mortgage or other loans, provide for methods of limiting profits or cash flow or other distributions available to limited-profit entities to whom it has made or will make such loans. Such methods may include, without limitation, a limitation which may vary from period to period based on changes in the costs of borrowing money and may be changed from time to time. With respect to mortgage loans to limited profit entities, the alternative method shall be such as shall, in the sole judgment of the Authority, result in the lowest rents consistent with attracting private enterprise to acquire, construct, rehabilitate, operate and maintain the development. The equity in a development shall consist of the difference between the amount of the mortgage loan and the total cost of the development. The total cost of the development shall include construction or rehabilitation costs including job overhead and a builder's and sponsor's profit and risk fee, architectural, engineering, legal, and accounting costs, organizational expenses, land value, interest and financing charges paid during construction, and the cost of landscaping and off-site

improvements, whether or not such costs have been paid in cash or in a form other than cash.
(Source: P.A. 98-260, eff. 8-9-13.)

(20 ILCS 3805/8.1) (from Ch. 67 1/2, par. 308.1)

Sec. 8.1. With respect to mortgage loans for developments financed by the issuance of the Authority's bonds and notes and not covered under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4101 et seq.) created by Title VI of the Cranston-Gonzalez National Affordable Housing Act, the owner may not make, and the Authority may not accept, a prepayment of the mortgage loan except in accordance with the provisions of this Section.

(a) For those developments covered under this Section, the owner may make, and the Authority may accept, a prepayment of the mortgage loan if the owner enters into an agreement with the Authority to extend to the full term of the mortgage loan the affordability restrictions on those units affordable to low income persons and families or create a comparable number of new units of housing affordable for low income persons and families. As used in this Section, "affordability restrictions" means limits imposed by a federal or Authority regulation, regulatory agreement or rent subsidy contract on tenant rents, rent contributions, or income eligibility for the development so as to require that the units be affordable to low income persons and families.

(b) If the owner does not enter into the agreement described in subsection (a), prior to the owner making and the Authority accepting prepayment of the mortgage loan on those developments covered by this Section the owner shall provide notice to the tenants of the development of the owner's intent to prepay the mortgage loan and the tenants' rights under this Section. The notice shall be in a form approved by the Authority and shall be delivered at least 9 months prior to the date the owner intends to prepay the mortgage loan.

(c) If the owner does not enter into the agreement described in subsection (a) and intends to cause the prepayment of the mortgage loan, the tenants shall have the first right to purchase the development as follows:

(1) The tenants shall, within 60 days after the date of the owner's notice under subsection (b), notify the owner in writing that the tenants have formed a tenant association and shall designate the name of its representative. As used in this Section, "tenant association" means an association, corporation or other organization that represents at least a majority of the tenants in the development.

(2) After receiving notice from the tenants under paragraph (1) of this subsection (c), the owners shall provide a bona fide offer for sale of the development to the tenant association which contains the essential terms of the sale, including, at a minimum, the following: the sale price; the terms of seller financing, if any, including the amount, the interest rate, and amortization rate; the terms of assumable financing, if any, including the amount, the interest rate, and the amortization rate; and the proposed improvements, if any, to the property to be made by the owner in connection with the sale. The bona fide offer for sale shall also state that within 30 days after its receipt, the tenant association shall notify the owner, in writing, of its intent to purchase the development, which notice shall not create any legal obligation other than under this Section. By this notice the tenant association may designate a not-for-profit

corporation to act on its behalf to purchase the development.

(3) The tenant association or its designee shall, within 90 days after delivery of the notice of intent to purchase under paragraph (2) of this subsection (c), deliver to the owner and the owner shall execute a purchase contract reflecting a sale price and terms agreed to by the parties or the sale price and terms determined as follows: If the owner and the tenant association or its designee are unable to agree to a sale price within the first 60 days of the 90 day period specified above, the sale price of the development shall be based upon its fair market value at its highest and best use minus any rehabilitation costs or other costs required to convert the development to that use, as determined by 2 independent appraisers qualified to perform multi-family housing appraisals. One appraiser shall be selected and paid by the owner and the other shall be selected and paid by the tenant association or its designee. If the appraisers fail to agree upon a fair market value, the owner and the tenant association or its designee shall either jointly select and pay a third appraiser whose appraisal shall be binding, or agree to take an average of the 2 appraisals. All appraisers shall be MAI certified. The determination of the sale price shall be completed within the 90 day period specified above.

(4) The tenant association or its designee shall close on the sale of the development within 90 days after the date the parties sign the contract to purchase.

(d) The provisions of this Section shall not apply to any of the following: a government taking by eminent domain or negotiated purchase; a forced sale pursuant to a foreclosure; or a transfer by gift, devise or operation of law.

(e) If the Authority determines, in its sole discretion, that the tenants of the development failed to form a tenant association as defined in this Section, or that the tenant association or its designee failed to provide notice to the owner of the formation of a tenant association under paragraph (1) of subsection (c), failed to provide notice to the owner of its intent to purchase under paragraph (2) of subsection (c), failed to provide a bona fide offer to purchase under paragraph (3) of subsection (c), or failed to close on the development under paragraph (4) of subsection (c), the owner may prepay the mortgage loan and the Authority may accept the prepayment of the mortgage loan.

(f) The owner and the tenant association or its designee shall timely forward a copy of all notices required under this Section to the Authority.

(Source: P.A. 87-578.)

(20 ILCS 3805/9) (from Ch. 67 1/2, par. 309)

Sec. 9. The ratio of loan to development cost and the amortization period of loans made by the Authority shall be determined in accordance with regulations formulated and published by the Authority.

(Source: P.A. 76-1175.)

(20 ILCS 3805/10) (from Ch. 67 1/2, par. 310)

Sec. 10. The Authority shall approve a tenant selection plan submitted by the applicant for the loan prior to disbursing any funds in connection with the acquisition, rehabilitation, or construction of a development. The Authority shall formulate regulations from time to time setting forth the criteria for tenant selection plans. These criteria shall include income limits, which may vary with the size and circumstances of the

family unit of tenants. The income limits shall be sufficiently flexible to avoid undue economic homogeneity among the tenants of a development. The Authority may formulate regulations from time to time for the alteration of occupancies of tenants who exceed established income limits. The tenant selection plan shall specify how many units in the development shall be held available for rentals to persons of low or moderate income, as defined in this Act.

In determining the number of units which shall be so held available for rental to persons of low or moderate income, the Authority shall require that the number of dwelling units so held reserved for them in each development shall not be less than the number required by applicable federal and State law.

In connection with any mortgage loan for a development, the Authority may enter into an agreement with the owner of the development as a part of the loan providing that as long as the loan remains outstanding or such longer period as is set forth in the agreement, the development shall be held available for such rentals. Any such agreement shall, upon being recorded in the manner provided for recording of deeds or registered in the manner specified for registration of titles, be binding upon any subsequent owners of the development as provided by its terms.
(Source: P.A. 98-260, eff. 8-9-13.)

(20 ILCS 3805/11) (from Ch. 67 1/2, par. 311)

Sec. 11. Among low or moderate income persons and families, preference for occupancy in a development financed under the Act shall be given to those persons and families displaced from an urban renewal area, or as a result of governmental action, or as a result of a major disaster, in accordance with applicable regulations and procedures.

(Source: P.A. 77-1654.)

(20 ILCS 3805/12) (from Ch. 67 1/2, par. 312)

Sec. 12. In order to encourage developments which are not economically homogeneous and to achieve rent charges which will make units available to persons and families of low income at low rentals, the Authority and a mortgagor may use devices including, but not limited to: direct rental assistance in the form of partial rent subsidy from any county, municipal, State or federal source; allocation of lower rents to less desirable locations and apartments with less expensive facilities; and the raising of rents in the majority of apartments in the development in order to lower the rents of those in the lower rent charge category. With respect to each development the Authority shall, prior to initial occupancy, allocate and prescribe the number of lower rental units and the rents to be charged therefor. The allocation may be reviewed and adjusted from time to time. The method of achieving lower rental charges shall, in each instance, be prescribed by the Authority.

(Source: P.A. 77-1654.)

(20 ILCS 3805/13) (from Ch. 67 1/2, par. 313)

Sec. 13. The Authority shall require that occupancy of all housing financed or otherwise assisted under this Act be open to all persons regardless of race, national origin, religion, creed, sex, age or physical or mental disability and that contractors and subcontractors engaged in the construction or rehabilitation of such housing or any housing related commercial facility, shall provide equal opportunity for employment without discrimination as to race, national origin, religion, creed, sex, age or physical or mental disability.

(Source: P.A. 99-143, eff. 7-27-15.)

(20 ILCS 3805/14) (from Ch. 67 1/2, par. 314)

Sec. 14. The Authority may from time to time issue its negotiable bonds and notes in such principal amount, as, in the opinion of the Authority, shall be necessary to provide sufficient funds for achieving its corporate purposes, including the making of mortgage or other loans for the acquisition, construction and rehabilitation of housing to be occupied by low and moderate income persons, for the acquisition, construction and rehabilitation of community facilities as provided in this Act and for the acquisition, construction and rehabilitation of housing related commercial facilities; the acquisition of land and land development; the purchase of residential mortgages from lending institutions; the making of loans to lending institutions; the payment of interest on bonds and notes of the Authority; the establishment of reserves to secure such bonds and notes; and all other expenditures of the Authority incidental to and necessary or convenient to carrying out its corporate purposes and powers, including the reimbursement of the Authority for expenditures made by it from other funds for achieving its corporate purposes set forth in this Section. The bonds and notes of the Authority may be issued as general obligations of the Authority payable from such revenues, funds and obligations of the Authority as the resolution authorizing issuance of the bonds or notes shall provide, or may be issued as limited obligations with a claim for payment solely from such revenues, funds and obligations as the resolution authorizing issuance of the bonds or notes shall provide. The Authority is specifically granted the power and authority to issue Affordable Housing Program Trust Fund Bonds or Notes, provided that the use of the proceeds thereof is subject to the limitation provided in the Illinois Affordable Housing Act. Except for such limitation and the dedication and pledge of Trust Fund Moneys provided for in that Act, Affordable Housing Program Trust Fund Bonds or Notes shall be treated in all respects as, and shall be entitled to all the benefits, rights, grants and authorizations in respect of, bonds and notes issued pursuant and subject to the provisions of this Act. The Authority shall have no taxing power.

(Source: P.A. 88-93.)

(20 ILCS 3805/14.1) (from Ch. 67 1/2, par. 314.1)

Sec. 14.1. The Authority may issue to persons acquiring, improving or rehabilitating residences in Illinois mortgage credit certificates (or such other arrangements by which entities authorized to issue qualified mortgage bonds under Section 143 of the Internal Revenue Code may grant persons Federal income tax credits or other advantages with respect to costs of residential mortgages). The Authority shall have the authority to take all steps, make all conditions and do all things necessary in order so to issue such certificates or make such other arrangements including, without limitation, establishing for the State a qualified mortgage credit certificate program, enforcing and carrying out that program, and giving notice of the provisions of the program.

(Source: P.A. 87-250.)

(20 ILCS 3805/15) (from Ch. 67 1/2, par. 315)

Sec. 15. The Authority may from time to time, issue renewal notes, issue bonds to pay such notes, and whenever it deems refunding expedient, refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and issue bonds partly to refund bonds then outstanding and partly for any other purpose. The refunding bonds shall be sold and the proceeds applied to the purchase, redemption or

payment of the bonds to be refunded.
(Source: P.A. 76-1175.)

(20 ILCS 3805/16) (from Ch. 67 1/2, par. 316)

Sec. 16. The notes and bonds issued under this Act shall be authorized by resolution of the members of the Authority, shall bear such date or dates, and shall mature at such time or times, in the case of any note, or any renewal thereof, not exceeding 15 years (or such longer time not exceeding 25 years if the Authority shall determine, with respect to notes issued in anticipation of bonds, that a longer maturity date is required in order to assure the ability to issue the bonds), from the date of issue of such original note, and in the case of any bond not exceeding 50 years from the date of issue, as the resolution may provide. The bonds may be issued as serial bonds or as term bonds or as a combination thereof. The notes and bonds shall bear interest at such rate or rates as shall be determined by the members of the Authority by the resolution authorizing issuance of the bonds and notes provided, however, that notes and bonds issued after July 1, 1983, shall bear interest at such rate or rates not exceeding the greater of (i) the maximum rate established in "An Act to authorize public corporations to issue bonds, other evidences of indebtedness and tax anticipation warrants subject to interest rate limitations set forth therein", approved May 26, 1970, as from time to time in effect; (ii) 11% per annum or (iii) 70% of the prime commercial rate in effect at the time the contract is made. In the event the Authority issues notes or bonds not exempt from income taxation under the Internal Revenue Code of 1954, as amended, such notes or bonds shall bear interest at a rate or rates as shall be determined by the members of the Authority by the resolution authorizing issuance of the bonds and notes. Prime commercial rate means such prime rate as from time to time is publicly announced by the largest commercial banking institution located in this State, measured in terms of total assets. A contract is made with respect to notes or bonds when the Authority is contractually obligated to issue and sell such notes or bonds to a purchaser who is contractually obligated to purchase them. The notes and bonds shall be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment, at such place or places and be subject to such terms of redemption as such resolution or resolutions may provide. The notes and bonds of the Authority may be sold by the Authority, at public or private sale, at such price or prices as the Authority shall determine.

In lieu of establishing the rate at which notes or bonds of the Authority shall bear interest and the price at which the notes or bonds shall be sold, the resolution authorizing their issuance may set maximum and minimum prices, interest rates and annual interest cost to the Authority for that issue of notes or bonds (computed as the resolution shall provide), such that the difference between the maximum and minimum annual interest cost shall not exceed 1% of the principal amount of the notes or bonds. Such a resolution shall authorize any two of the Chairman, Treasurer or Director (or in the Director's absence, the Deputy Director) to establish the actual price and interest rate within the range established by the resolution. In lieu of establishing the dates, maturities or other terms of the notes or bonds, the resolution authorizing their issuance may authorize any two of the Chairman, Treasurer or Director (or in the Director's absence, the Deputy Director) to establish such dates, maturities and other terms within ranges or criteria established by the resolution.

In connection with the issuance of its notes and bonds, the Authority may enter into arrangements to provide additional security and liquidity for the notes and bonds. These may include, without limitation, letters of credit, lines of credit by which the Authority may borrow funds to pay or redeem its notes or bonds and purchase or remarketing arrangements for assuring the ability of owners of the Authority's notes and bonds to sell or to have redeemed their notes and bonds. The Authority may enter into contracts and may agree to pay fees to persons providing such arrangements, but only under circumstances in which the total interest paid or to be paid on the notes or bonds, together with the fees for the arrangements (being treated as if interest), would not, taken together, cause the notes or bonds to bear interest, calculated to their absolute maturity, at a rate in excess of the maximum rate allowed by this Act.

The resolution of the Authority authorizing the issuance of its notes or bonds may provide that interest rates may vary from time to time depending upon criteria established by the Authority, which may include, without limitation, a variation in interest rates as may be necessary to cause notes or bonds to be remarketable from time to time at a price equal to their principal amount (or compound accredited value in case of original issue discount bonds), and may provide for appointment of a national banking association, bank, trust company, investment bank or other financial institution to serve as a remarketing agent in that connection. The resolution of the Authority authorizing the issuance of its notes or bonds may provide that alternative interest rates or provisions will apply during such times as the notes or bonds are held by a person providing a letter of credit or other credit enhancement arrangement for those notes or bonds. Notwithstanding any other provisions of law, there shall be no statutory limitation on the interest rates which such variable rate notes and bonds may bear from time to time.

In addition to the other authorizations contained in this Section, the Authority may adopt a resolution or resolutions granting to any two of the Chairman, Treasurer or Director (or in the Director's absence, the Deputy Director) the power to authorize issuance of notes or bonds, or both, on behalf of the Authority from time to time without further resolution of the Authority. Any such resolution shall contain a statement of the maximum aggregate amount of notes or bonds that may be outstanding at any one time pursuant to the authorization granted in such resolution. Such resolution shall also contain a statement of the period of time during which such notes or bonds of the Authority may be so issued. Such resolution shall also delegate specifically or generally to the persons empowered to authorize issuance of the notes or bonds the authority to establish or approve any or all matters relating to the issuance and sale of the notes or bonds, which may include the interest rates, if any, which the notes or bonds shall bear and the prices (including premiums or discounts, if any) at which they shall be issued and sold, or the criteria upon which such interest rates and prices may vary, the appointment of remarketing agents, the approval of alternative interest rates, whether there shall be any statutory or other limitation on the interest rates which such notes or bonds may bear (treating as if interest the fees for any arrangements to provide additional security and liquidity for the notes and bonds), and the dates, maturities and other terms and conditions on which the notes or bonds shall be issued and sold. Any or all of such matters may vary from issue to issue and within an issue. Any such resolution may set forth the criteria by which any or all of the matters entrusted to the persons designated in such resolution

are to be established or approved, and may grant the power to authorize issuance of notes or bonds which are exempt from income taxation under the Internal Revenue Code of 1954, as amended, or which are not exempt.

Notwithstanding any other provision of law, and in addition to any other authority provided by law, with respect to mortgage or other loans made by it, the Authority may require payments of principal, make interest charges and impose prepayment premiums or penalties (in addition to any fees or charges made by the Authority) so that such principal, interest and premiums or penalties are sufficient to enable the Authority to pay when due all principal, interest and redemption premiums or penalties on any notes or bonds issued by the Authority to finance or continue the financing of such loans (including a proportionate share of such bonds or notes issued to fund reserves or to cover any discount) and to make any required deposits in any reserve funds; and any contract relating to any mortgage or other loan made by the Authority may provide for changes during its term in the rate at which interest shall be paid, to the extent the changes are provided for in order to enable the Authority to make payments with respect to bonds or notes as provided in this Section.

(Source: P.A. 85-1450.)

(20 ILCS 3805/17) (from Ch. 67 1/2, par. 317)

Sec. 17. A resolution of the Authority authorizing the issuance of any notes or bonds or any issue thereof under this Act may provide for:

(a) Pledging or assigning or granting a lien on or security interest in all or any part of the fees and charges made or received by the Authority, and all or any part of the moneys received in payment of mortgage or other loans and interest thereon, and other moneys received or to be received, to secure the payment of the notes or bonds or of any issue thereof, and subject to such agreements with bondholders or noteholders as may then exist;

(b) Pledging or assigning or granting a lien on or security interest in all or any part of the revenue of the Authority, including payments or income from mortgages or other loans and obligations owned or held by the Authority, or pledging or assigning or granting a lien on or security interest in any obligations owned or held by the Authority, to secure the payment of the notes or bonds issued under this Act or of any issue of such notes or bonds, subject to such agreements with noteholders or bondholders as may then exist;

(c) Pledging or assigning or granting a lien on or security interest in any loan, grant, or contribution from the federal, State, or local government, if authorized by the terms of such loan, grant or contribution;

(d) The use and disposition of the gross income from mortgages or other loans owned by the Authority and payment of the principal of mortgages and other loans owned by the Authority;

(e) The setting aside of reserves or sinking funds and the regulation and disposition thereof;

(f) Limitations on the purpose to which the proceeds of sale of notes or bonds may be applied and pledging or assigning or granting a lien on or security interest in such proceeds to secure the payment of the notes or bonds or of any issue thereof;

(g) Limitations on the issuance of additional notes or bonds; the terms upon which additional notes or bonds may be issued and secured; and the refunding of outstanding

or other notes or bonds;

(h) The procedure, if any, by which the terms of any contract with noteholders or bondholders may be amended or abrogated, the amount of notes or bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(i) Vesting in a trustee or trustees such property, rights, powers and duties in trust as the Authority may determine, which may include any or all of the rights, powers and duties of the trustee appointed by the bondholders pursuant to this Act and limiting or abrogating the right of the bondholders to appoint a trustee or limiting the rights, powers and duties of such trustee;

(j) With respect to Affordable Housing Program Trust Fund Bonds or Notes, pledging or assigning or granting a lien on or security interest in Trust Fund Moneys as provided in Section 9 of the Illinois Affordable Housing Act, to secure such bonds and notes, and vesting in any trustee for the holders of such bonds and notes any and all rights, powers, and assignments to receive, hold and apply such Trust Fund Moneys and the proceeds thereof, to the extent permitted by Section 9 of the Illinois Affordable Housing Act, to secure or pay such bonds and notes;

(k) Any other matters, of like or different character, which in any way affect the security or protection of the notes or bonds issued by the Authority.

Any pledge, assignment, lien or security interest or grant made pursuant to this Act or pursuant to Section 9 of the Illinois Affordable Housing Act shall be valid and binding and immediately effective, upon its being made or granted, without any physical delivery, filing, recording or further act, and shall be valid and binding as against, and superior to any claims of all others having claims of any kind against the Authority or any other person, irrespective of whether such other parties have notice of the pledge, assignment, lien or security interest.

(Source: P.A. 88-93.)

(20 ILCS 3805/18) (from Ch. 67 1/2, par. 318)

Sec. 18. No member of the Authority or any authorized person executing the notes or bonds shall be liable personally on the notes or bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

(Source: P.A. 76-1175.)

(20 ILCS 3805/19) (from Ch. 67 1/2, par. 319)

Sec. 19. The Authority, subject to the terms of any agreements with noteholders or bondholders as may then exist, shall have power out of any funds available therefor to purchase notes or bonds of the Authority at a price not exceeding: (a) if the notes or bonds are redeemable, the redemption price then applicable plus accrued interest to the next interest payment date thereon, or (b) if the notes or bonds are not then redeemable, the redemption price applicable on the first date after such purchase upon which the notes or bonds become subject to redemption plus accrued interest to such date.

(Source: P.A. 85-1450.)

(20 ILCS 3805/20) (from Ch. 67 1/2, par. 320)

Sec. 20. The State shall not be liable on notes or bonds of the Authority and such bonds and notes shall not be a debt of the State. The notes and bonds shall contain on the face thereof a statement to such effect.

(Source: P.A. 76-1175.)

(20 ILCS 3805/21) (from Ch. 67 1/2, par. 321)

Sec. 21. The Authority shall create and establish a special fund to secure the Housing Development Bonds issued under this Act. The fund shall be designated as "the capital reserve fund."

The Authority shall pay into the capital reserve fund: (a) all moneys specifically appropriated, earmarked or made available by gift, grant, or otherwise, from any source, public or private, for the purposes of meeting expenditures authorized from such fund; (b) any proceeds of sale of notes or bonds, to the extent provided in the resolution of the Authority authorizing the issuance thereof; (c) any moneys transferred into the fund by the Authority from any other fund authorized by this Act, in such amounts and at such times as the Authority deems necessary for the purposes of this fund; and (d) any other income or moneys available to the Authority from any other source or sources for the purpose of such fund.

All moneys held in the capital reserve fund, except as hereinafter provided, shall be used solely for the payment of the principal or annual sinking fund payment of bonds of the Authority as the same mature, the purchase of bonds of the Authority, the payment of interest on such bonds of the Authority or the payment of any redemption premium required to be paid when such bonds are redeemed prior to maturity. Moneys in the capital reserve fund shall not be withdrawn at any time in such amount as would reduce the amount of the fund to less than the maximum amount of principal and interest or annual sinking fund payment, whichever is less, maturing and becoming due in any succeeding calendar year on all bonds of the Authority then outstanding, except for the purpose of paying principal of and interest on bonds of the Authority becoming due, whether at maturity or by annual sinking fund payment, and for the payment of which other moneys of the Authority are not available. Any income or interest earned by, or increment to, the capital reserve fund due to the investment thereof may be transferred by the Authority to the general fund or any other fund of the Authority to the extent it does not reduce the amount of the capital reserve fund below the maximum amount of principal and interest or annual sinking fund payment, whichever is less, maturing and becoming due in any succeeding calendar year on all bonds of the Authority then outstanding. For purposes of this Section the word "bonds" shall mean only those bonds of the Authority issued for the purpose of making mortgage loans to nonprofit corporations and limited-profit entities to finance multi-family rental and cooperative developments and designated as "Housing Development Bonds" by the Authority. (Source: P.A. 78-1074.)

(20 ILCS 3805/22) (from Ch. 67 1/2, par. 322)

Sec. 22. (a) The Authority shall not have outstanding at any one time bonds and notes for any of its corporate purposes in an aggregate principal amount exceeding \$7,200,000,000, excluding bonds and notes issued to refund outstanding bonds and notes.

(b) Of the authorized aggregate principal amount of \$7,200,000,000 provided for by this Section, the amount of \$150,000,000 shall be used for the purposes specified in Sections 7.23 and 7.24 of this Act.

(c) Of the \$1,000,000,000 authorized by this amendatory Act of 1985, an amount not less than \$100,000,000 shall be reserved for financing developments which involve the rehabilitation of dwelling accommodations, subject to the occupancy reservation of low or moderate income persons or families as provided in this Act.

(Source: P.A. 102-175, eff. 7-29-21.)

(20 ILCS 3805/23) (from Ch. 67 1/2, par. 323)

Sec. 23. In computing the amount of the capital reserve fund for the purposes of this Act, securities in which all or a portion of the fund is invested shall be valued at par, or if purchased at less than par, at their cost to the Authority.
(Source: P.A. 76-1175.)

(20 ILCS 3805/23a) (from Ch. 67 1/2, par. 323a)

Sec. 23a. The Authority may create and establish one or more special funds (herein referred to as "debt service reserve funds"), and shall pay into each such debt service reserve fund (a) any moneys appropriated and made available by the State for the purpose of such fund (except that no such State moneys shall be so paid with respect to such fund for notes or bonds a major portion of the proceeds of which are used to provide housing related commercial facilities), (b) any proceeds of sale of notes or bonds to the extent provided in the resolution or resolutions of the Authority authorizing the issuance thereof, and (c) any other moneys which may be available to the Authority for the purpose of such fund from any other source or sources. All moneys held in any debt service reserve fund, except as hereinafter provided, shall be used, as required, solely for the payment of the principal of bonds or notes secured in whole or in part by such fund or of the sinking fund payments with respect to such bonds or notes, the purchase or redemption of such bonds or notes, the payment of interest on such bonds or notes or the payment of any redemption premium required to be paid when such bonds or notes are redeemed prior to maturity. Moneys in such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such fund to less than the minimum debt service reserve requirement established for such fund by resolution of the Authority, except for the purpose of making, with respect to bonds or notes secured in whole or in part by such fund, payment when due, of principal, interest, redemption premiums and the sinking fund payments with respect to such bonds or notes for the payment of which other moneys of the Authority are not available. Any income or interest earned by, or increment to, any debt service reserve fund due to the investment thereof may be transferred by the Authority to other funds or accounts of the Authority to the extent it does not reduce the amount of the debt service reserve fund below the minimum debt service reserve requirement for such fund, as may be allowed by the resolution of the Authority authorizing the issuance of its bonds and notes.

The Authority shall not at any time issue bonds or notes, secured in whole or in part by a debt service reserve fund, if upon the issuance of such bonds or notes, the amount in such debt service reserve fund will be less than any minimum debt service reserve fund requirement for such fund, unless the Authority, at the time of issuance of such bonds or notes shall deposit in such fund from the proceeds of the bonds or notes to be issued, or from other sources an amount which together with the amount then in such fund will not be less than any minimum debt service reserve fund requirement for such fund.

In computing the amount of any debt service reserve fund for the purpose of this Section, securities in which all or a portion of such fund shall be invested shall be valued either (i) at par, or if purchased at less than par, at their cost to the Authority or (ii) as provided in the resolution authorizing the issuance of the bonds or notes which are to be secured by the fund.

(Source: P.A. 83-1251.)

(20 ILCS 3805/24) (from Ch. 67 1/2, par. 324)

Sec. 24. The Authority shall create and establish such other funds or accounts as may be necessary or desirable for its corporate purposes.

(Source: P.A. 78-1074.)

(20 ILCS 3805/25) (from Ch. 67 1/2, par. 325)

Sec. 25. If the Authority defaults in the payment of principal or interest on any issue of notes or bonds after the same shall become due, whether at maturity or upon call for redemption, and such default continues for a period of 30 days, or if the Authority fails or refuses to comply with the provisions of this Act, or defaults in any agreement made with the holders of any issue of notes or bonds, the holders of 25% in aggregate principal amount of the notes or bonds of such issue then outstanding may appoint a trustee to represent the holders of such notes or bonds for the purposes set forth in Sections 26 through 28.

(Source: P.A. 76-1175.)

(20 ILCS 3805/26) (from Ch. 67 1/2, par. 326)

Sec. 26. The trustee appointed pursuant to Section 25 may, and upon written request of the holders of 25% in principal amount of such notes or bonds then outstanding shall, in his own name: (a) enforce all rights of the noteholders or bondholders, including the right to require the Authority to collect fees and charges and interest and amortization payments on mortgage or other loans made by it adequate to carry out any agreement as to, or pledge of, such fees and charges and interest and amortization payments of such mortgage or other loans, and other properties and to require the Authority to carry out any other agreements with the holders of such notes or bonds and to perform its duties under this Act; (b) bring suit upon such notes or bonds; (c) require the Authority to account as if it were the trustee of an express trust for the holders of such notes or bonds; (d) enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such notes or bonds; or (e) declare all such notes or bonds due and payable, and if all defaults shall be made good, then, with the consent of the holders of 25% of the principal amount of such notes or bonds then outstanding, to annul such declaration and its consequences.

(Source: P.A. 83-1251.)

(20 ILCS 3805/26.1) (from Ch. 67 1/2, par. 326.1)

Sec. 26.1. In the event that the Authority determines that monies of the Authority will not be sufficient for the payment of the principal of and interest on its bonds (or on any notes issued for a maturity in excess of three years) during the next State fiscal year, excluding amounts in the debt service reserve fund for those bonds or notes, the Chairman shall certify to the Governor, as soon as is practicable, the amount required by the Authority to enable it to pay such principal of and interest on the bonds or notes. The Governor shall submit the amount so certified to the General Assembly as soon as practicable, but not later than the end of the current State fiscal year.

In the event of a withdrawal of moneys from a reserve fund established with respect to any issue or issues of bonds or notes of the Authority to pay principal or interest on such bonds, the Chairman of the Authority, as soon as practicable, shall certify to the Governor the amount required to restore such reserve fund to the level required in the resolution or indenture securing the bonds. The Governor shall submit the amount so certified to the General Assembly as soon as

practicable, but no later than the end of the current State fiscal year.

This Section shall not apply to any bonds or notes as to which the Authority shall have determined, in the resolution authorizing the issuance of the bonds or notes, that this Section shall not apply. Whenever the Authority makes such a determination that fact shall be plainly stated on the face of the bonds or notes and that fact shall also be reported to the Governor. The Authority shall obtain written approval from the Governor for bonds and notes issued under this Section.
(Source: P.A. 87-778.)

(20 ILCS 3805/27) (from Ch. 67 1/2, par. 327)

Sec. 27. In addition to the powers granted in Sections 25 and 26, the trustee shall have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of bondholders or noteholders in the enforcement and protection of their rights.
(Source: P.A. 76-1175.)

(20 ILCS 3805/28) (from Ch. 67 1/2, par. 328)

Sec. 28. The venue of any action or proceeding brought by the trustees under Sections 25, 26 and 27, shall be in Sangamon County. Before declaring the principal of notes or bonds (other than bonds to which Section 26.1 of this Act shall not apply or notes issued in anticipation of the issuance of bonds to which Section 26.1 of this Act shall not apply) due and payable, the trustee shall first give 30 days' notice in writing to the Governor, to the Authority, and to the State Treasurer.
(Source: P.A. 83-1251.)

(20 ILCS 3805/29) (from Ch. 67 1/2, par. 329)

Sec. 29. The notes and bonds of the Authority are securities in which all public officers and bodies of this State and all municipalities and municipal subdivisions, all insurance companies and associations, and other persons carrying on an insurance business, all banks, trust companies, savings banks and savings associations, saving and loan associations, investment companies, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the State, may properly and legally invest funds, including capital, in their control or belonging to them.
(Source: P.A. 76-1175.)

(20 ILCS 3805/30) (from Ch. 67 1/2, par. 330)

Sec. 30. The property of the Authority and its income and operation shall be exempt from taxation.
(Source: P.A. 76-1175.)

(20 ILCS 3805/31) (from Ch. 67 1/2, par. 331)

Sec. 31. The creation of the Authority is in all respects for the benefit of the people of Illinois and for the improvement of their health, safety, welfare, comfort and security, and its purposes are public purposes. In consideration thereof, the notes and bonds of the Authority issued pursuant to this Act and the income therefrom shall be free from all taxation by the State or its political subdivisions, except for estate, transfer and inheritance taxes. For purposes of Section 250 of the Illinois Income Tax Act, the exemption of the income from bonds issued by the Authority shall terminate after all of the bonds have been paid. The amount of such income that shall be added and then subtracted on the Illinois income tax return

20 ILCS 3805/ Illinois Housing Development Act.

of a taxpayer, pursuant to Section 203 of the Illinois Income Tax Act, from federal adjusted gross income or federal taxable income in computing Illinois base income shall be the interest net of any bond premium amortization. The exemptions of taxation provided by the preceding sentences shall not apply to the income on any notes or bonds, a major portion (determined in the sole judgment of the Authority) of the proceeds of which are to be used to finance housing related commercial facilities.
(Source: P.A. 89-460, eff. 5-24-96.)

(20 ILCS 3805/32) (from Ch. 67 1/2, par. 332)

Sec. 32. The Authority is authorized to provide to nonprofit corporations, housing corporations and limited-profit entities such advisory, consultative training and educational services as will assist them to become owners of housing constructed or rehabilitated under this Act. Advisory and education services may include, but are not necessarily limited to, technical and professional planning assistance, the preparation and promulgation of organizational planning and development outlines and guides, consultation services, training courses, seminars and lectures, the preparation and dissemination of newsletters and other printed materials and the services of field representatives. The Authority is also authorized to provide nonprofit corporations, housing corporations and limited-profit entities with advisory, consultative, technical, training and educational services in the management of housing, including but not limited to home management and training and advisory services for the residents of housing so as to promote efficient and harmonious management thereof.
(Source: P.A. 76-1175.)

(20 ILCS 3805/33) (from Ch. 67 1/2, par. 333)

Sec. 33. The provisions of this Act are severable, and if any of its provisions shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.
(Source: P.A. 76-1175.)

(20 ILCS 3805/34) (from Ch. 67 1/2, par. 334)

Sec. 34. This Act is necessary for the welfare of the State and its inhabitants; therefore it shall be liberally construed to effect its purposes.
(Source: P.A. 76-1175.)

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