



93RD GENERAL ASSEMBLY

State of Illinois

2003 and 2004

HB4100

Introduced 1/15/2004, by Edward J. Acevedo, Terry R. Parke,
Charles E. Jefferson

SYNOPSIS AS INTRODUCED:

New Act

30 ILCS 105/5.625 new

55 ILCS 5/3-5018

55 ILCS 5/4-12002

from Ch. 34, par. 3-5018

from Ch. 34, par. 4-12002

Creates the Rental Housing Support Program Act. Provides for grants from the Illinois Housing Development Authority to local administering agencies to provide subsidies for landlords to charge rent affordable for low-income tenants. Also provides for grants from the Illinois Housing Development Authority to developers of affordable rental housing. Sets forth criteria for the awarding of grants. Requires the Authority to establish an operating reserve for the program. Amends the State Finance Act to create the Rental Housing Support Program Fund, a special fund in the State treasury. Amends the Counties Code. Provides that the county recorder shall collect a \$10 surcharge for the recordation of any real estate-related document, one dollar of which shall be retained by the county and \$9 of which shall be deposited into the Rental Housing Support Program Fund. Effective January 1, 2005.

LRB093 15264 MKM 44255 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning rental housing.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Rental Housing Support Program Act.

6 Section 5. Legislative findings and purpose. The General
7 Assembly finds that in many parts of this State, large numbers
8 of citizens are faced with the inability to secure affordable
9 rental housing. Due to either insufficient wages or a shortage
10 of affordable rental housing stock, or both, many families have
11 difficulty securing decent housing, are subjected to
12 overcrowding, pay too large a portion of their total monthly
13 income for housing and consequently suffer the lack of other
14 basic needs, live in substandard or unhealthy housing, or
15 experience chronic housing instability. Instability and
16 inadequacy in housing limits the employability and
17 productivity of many citizens, adversely affects family health
18 and stress levels, impedes children's ability to learn, and
19 produces corresponding drains on public resources. It is the
20 purpose of this Act to create a State program to help
21 localities address the need for decent, affordable, permanent
22 rental housing.

23 Section 7. Definitions. In this Act:

24 "Authority" means the Illinois Housing Development
25 Authority.

26 "Program" means the Rental Housing Support Program.

27 "Real estate-related document" means any recorded document
28 that effects an interest in real property.

29 "Rental Housing Support Program State surcharge" means the
30 \$10 surcharge imposed by this Act on the privilege of recording
31 any real estate-related document.

1 "Unit" means a rental apartment unit receiving a subsidy by
2 means of a grant under this Act. "Unit" does not include
3 housing units intended as transitional or temporary housing.

4 Section 10. Creation of program. The Rental Housing Support
5 Program is created within the Illinois Housing Development
6 Authority. The Authority shall administer the program and
7 create rules for its implementation.

8 Section 15. Grants to local administering agencies.

9 (a) Under the program, the Authority shall make grants to
10 local administering agencies to provide subsidies to landlords
11 to enable the landlords to charge rent affordable for
12 low-income tenants. Grants shall also include an amount for the
13 operating expenses of local administering agencies.

14 (b) The Authority shall develop a request-for-proposals
15 process for soliciting proposals from local administering
16 agencies and for awarding grants. The request-for-proposals
17 process and the funded projects must be consistent with the
18 criteria set forth in Section 25 and with additional criteria
19 set forth by the Authority in rules implementing this Act.

20 (c) Local administering agencies may be local governmental
21 bodies, local housing authorities, or not-for-profit
22 organizations. The Authority shall set forth in rules the
23 financial and capacity requirements necessary for an
24 organization to qualify as a local administering agency and the
25 parameters for administration of the grants by local
26 administering agencies.

27 (d) The Authority shall distribute grants to local
28 administering agencies according to a formula based on U.S.
29 Census data. The formula shall determine percentages of the
30 funds to be distributed to the following geographic areas: (i)
31 Chicago; (ii) suburban areas: Cook County (excluding Chicago),
32 DuPage County, Lake County, Kane County, Will County, and
33 McHenry County; (iii) small metropolitan areas: Springfield,
34 Rockford, Peoria, Decatur, Champaign-Urbana,

1 Bloomington-Normal, Rock Island, DeKalb, Madison County,
2 Moline, Pekin, Rantoul, and St. Clair County; and (iv) rural
3 areas. A geographic area's percentage share shall be determined
4 by the total number of households that have an annual income of
5 less than 50% of State median income for a household of 4 and
6 that are paying more than 30% of their income for rent. The
7 geographic distribution shall be re-determined by the
8 Authority each time new U.S. Census data becomes available. The
9 Authority shall phase in any changes to the geographic formula
10 to prevent a large withdrawal of resources from one area that
11 could negatively impact households receiving rental housing
12 support.

13 (e) In order to ensure applications from all geographic
14 areas of the State, the Authority shall create a plan to ensure
15 that potential local administering agencies have ample time and
16 support to consider making an application and to prepare an
17 application. Such a plan must include, but is not limited to:
18 an outreach and education plan regarding the program and the
19 requirements for a local administering agency; ample time
20 between the initial notice of funding ability and the deadline
21 to submit an application, which shall not be less than 9
22 months; and access to assistance from the Authority or another
23 agency in considering and preparing the application.

24 (f) The Chicago Low-Income Housing Trust Fund has an
25 existing program that matches the function and purpose of the
26 program described in this Act and meets the specific criteria
27 set forth in Section 25. Therefore, the Chicago Low-Income
28 Housing Trust Fund shall be the local administering agency of
29 the program for Chicago and shall receive the funds designated
30 for Chicago under the geographic distribution formula set forth
31 in subsection (d).

32 (g) In order to maintain consistency for households
33 receiving rental housing support, the Authority shall, to the
34 extent possible given funding resources available in the Rental
35 Housing Support Program, continue to fund local administering
36 agencies at the same level on an annual basis, unless the

1 Authority determines that a local administering agency is not
2 meeting the criteria set forth in Section 25 or is not adhering
3 to other standards set forth by rule by the Authority.

4 Section 20. Grants for affordable housing developments.

5 (a) The Authority may award grants under the program
6 directly for the development of affordable rental housing for
7 long-term operating support to enable the rent on such units to
8 be affordable. Developers of such new housing shall apply
9 directly to the Authority for this type of grant under the
10 program.

11 (b) The Authority shall prescribe by rule the application
12 requirements and the qualifications necessary for a developer
13 and a development to qualify for a grant under the program. In
14 any event, however, to qualify for a grant, the development
15 must satisfy the criteria set forth in Section 25, unless
16 waived by the Authority based on special circumstances and in
17 furtherance of the purpose of the program to increase the
18 supply of affordable rental housing.

19 (c) The Authority must use at least 10% of the funds
20 generated for the Program in any given year for grants under
21 this Section. In any given year, the Authority is not required
22 to spend the 10% of its funds that accrues in that year but may
23 add all or part of that 10% to the 10% allocation for
24 subsequent years for the purpose of funding grants under this
25 Section.

26 Section 25. Criteria for awarding grants. The Authority
27 shall adopt rules to govern the awarding of grants and the
28 continuing eligibility for grants under Sections 15 and 20.
29 Requests for proposals under Section 20 must specify that
30 proposals must satisfy these rules. The rules must contain and
31 be consistent with, but need not be limited to, the following
32 criteria:

33 (1) Eligibility for tenancy in the units supported by
34 grants to local administering agencies must be limited to

1 households with gross income at or below 30% of the area
2 median income, determined by the Authority using
3 statistical data it deems to be reliable and as specific as
4 possible for the area in which the grant will be made.
5 Fifty percent of the units that are supported by any grant
6 must be set aside for households whose income is at or
7 below 15% of the area median income, provided that
8 localities may negotiate flexibility in this set-aside
9 with the Authority if they demonstrate that they have been
10 unable to locate sufficient tenants in this lower income
11 range. Income eligibility for units supported by grants to
12 local administering agencies must be verified annually by
13 landlords and submitted to local administering agencies.
14 Tenants must have sufficient income to be able to afford
15 the tenant's share of the rent. For grants awarded under
16 Section 20, eligibility for tenancy in units supported by
17 grants must be limited to households with a gross income at
18 or below 30% of area median income. The Authority shall
19 determine what sources qualify as a tenant's income.

20 (2) Local administering authorities must include
21 2-bedroom, 3-bedroom, and 4-bedroom units among those
22 intended to be supported by grants under the program. In
23 grants under Section 15, the precise number of these units
24 among all the units intended to be supported by a grant
25 must be based on need in the community for larger units and
26 other factors that the Authority specifies in rules. The
27 local administering agency must specify the basis for the
28 numbers of these units that are proposed for support under
29 a grant. Local administering agencies must make a good
30 faith effort to comply with this allocation of unit sizes.
31 In grants awarded under Section 20, developers and the
32 Authority shall negotiate the numbers and sizes of units to
33 be built in a project and supported by the grant.

34 (3) Under grants awarded under Section 15, local
35 administering agencies must enter into a payment contract
36 with the landlord that defines the method of payment and

1 must pay subsidies to landlords on a quarterly basis and in
2 advance of the quarter paid for.

3 (4) Local administering agencies and developers must
4 specify how vacancies in units supported by a grant must be
5 advertised, and with respect to each vacancy they must
6 include provisions for outreach to local homeless
7 shelters, organizations that work with people with
8 disabilities, and others interested in affordable housing.

9 (5) The local administering agency or developer must
10 establish a schedule for the tenant's rental obligation for
11 units supported by a grant. The tenant's share of the rent
12 must be a flat amount based on the size of the unit and the
13 household's income category. In establishing the schedule
14 for the tenant's rental obligation, the local
15 administering agency or developer must use 30% of gross
16 income within an income range as a guide, and it may charge
17 an additional or lesser amount.

18 (6) The amount of the subsidy provided under a grant
19 for a unit must be the difference between the amount of the
20 tenant's obligation and the total amount of rent for the
21 unit. The total amount of rent for the unit must be
22 negotiated between the local administering authority and
23 the landlord under Section 15, or between the Authority and
24 the developer under Section 20, based on the operating
25 expenses for the unit and using fair market rent as a
26 guideline.

27 (7) Local administering agencies and developers,
28 pursuant to criteria the Authority develops in rules, must
29 ensure that there are procedures in place to maintain the
30 safety and habitability of units supported under grants.
31 Local administering agencies must inspect units before
32 supporting them under a grant awarded under Section 15.

33 (8) Local administering agencies must provide or
34 ensure that tenants are provided with a "bill of rights"
35 with their lease setting forth local landlord-tenant laws
36 and procedures and contact information for the local

1 administering agency.

2 (9) A local administering agency must create a plan
3 detailing a process for helping to provide information and
4 referrals when necessary for education, training, and
5 other supportive services to tenants living in units
6 supported under the grant. The plan must be submitted as a
7 part of the administering agency's proposal to the
8 Authority required under Section 15.

9 (10) Local administering agencies and developers may
10 not use funding under the grant to develop or support
11 housing that segregates tenants according to presence of or
12 type of disability.

13 (11) In order to plan for periodic fluctuations in
14 program revenue, the Authority shall establish by rule a
15 mechanism for establishing a reserve fund held either by
16 the Authority or by local administering agencies.

17 Section 85. The State Finance Act is amended by adding
18 Section 5.625 as follows:

19 (30 ILCS 105/5.625 new)

20 Sec. 5.625. The Rental Housing Support Program Fund.

21 Section 90. The Counties Code is amended by changing
22 Sections 3-5018 and 4-12002 as follows:

23 (55 ILCS 5/3-5018) (from Ch. 34, par. 3-5018)

24 Sec. 3-5018. Fees. The recorder elected as provided for in
25 this Division shall receive such fees as are or may be provided
26 for him by law, in case of provision therefor: otherwise he
27 shall receive the same fees as are or may be provided in this
28 Section, except when increased by county ordinance pursuant to
29 the provisions of this Section, to be paid to the county clerk
30 for his services in the office of recorder for like services.

31 For recording deeds or other instruments \$12 for the first
32 4 pages thereof, plus \$1 for each additional page thereof, plus

1 \$1 for each additional document number therein noted. The
2 aggregate minimum fee for recording any one instrument shall
3 not be less than \$12.

4 For recording deeds or other instruments wherein the
5 premises affected thereby are referred to by document number
6 and not by legal description a fee of \$1 in addition to that
7 hereinabove referred to for each document number therein noted.

8 For recording assignments of mortgages, leases or liens \$12
9 for the first 4 pages thereof, plus \$1 for each additional page
10 thereof. However, except for leases and liens pertaining to
11 oil, gas and other minerals, whenever a mortgage, lease or lien
12 assignment assigns more than one mortgage, lease or lien
13 document, a \$7 fee shall be charged for the recording of each
14 such mortgage, lease or lien document after the first one.

15 For recording maps or plats of additions or subdivisions
16 approved by the county or municipality (including the spreading
17 of the same of record in map case or other proper books) or
18 plats of condominiums \$50 for the first page, plus \$1 for each
19 additional page thereof except that in the case of recording a
20 single page, legal size 8 1/2 x 14, plat of survey in which
21 there are no more than two lots or parcels of land, the fee
22 shall be \$12. In each county where such maps or plats are to be
23 recorded, the recorder may require the same to be accompanied
24 by such number of exact, true and legible copies thereof as the
25 recorder deems necessary for the efficient conduct and
26 operation of his office.

27 For certified copies of records the same fees as for
28 recording, but in no case shall the fee for a certified copy of
29 a map or plat of an addition, subdivision or otherwise exceed
30 \$10.

31 Each certificate of such recorder of the recording of the
32 deed or other writing and of the date of recording the same
33 signed by such recorder, shall be sufficient evidence of the
34 recording thereof, and such certificate including the indexing
35 of record, shall be furnished upon the payment of the fee for
36 recording the instrument, and no additional fee shall be

1 allowed for the certificate or indexing.

2 The recorder shall charge an additional fee, in an amount
3 equal to the fee otherwise provided by law, for recording a
4 document (other than a document filed under the Plat Act or the
5 Uniform Commercial Code) that does not conform to the following
6 standards:

7 (1) The document shall consist of one or more
8 individual sheets measuring 8.5 inches by 11 inches, not
9 permanently bound and not a continuous form. Graphic
10 displays accompanying a document to be recorded that
11 measure up to 11 inches by 17 inches shall be recorded
12 without charging an additional fee.

13 (2) The document shall be legibly printed in black ink,
14 by hand, type, or computer. Signatures and dates may be in
15 contrasting colors if they will reproduce clearly.

16 (3) The document shall be on white paper of not less
17 than 20-pound weight and shall have a clean margin of at
18 least one-half inch on the top, the bottom, and each side.
19 Margins may be used for non-essential notations that will
20 not affect the validity of the document, including but not
21 limited to form numbers, page numbers, and customer
22 notations.

23 (4) The first page of the document shall contain a
24 blank space, measuring at least 3 inches by 5 inches, from
25 the upper right corner.

26 (5) The document shall not have any attachment stapled
27 or otherwise affixed to any page.

28 A document that does not conform to these standards shall not
29 be recorded except upon payment of the additional fee required
30 under this paragraph. This paragraph, as amended by this
31 amendatory Act of 1995, applies only to documents dated after
32 the effective date of this amendatory Act of 1995.

33 The county board of any county may provide for an
34 additional charge of \$3 for filing every instrument, paper, or
35 notice for record, (1) in order to defray the cost of
36 converting the county recorder's document storage system to

1 computers or micrographics and (2) in order to defray the cost
2 of providing access to records through the global information
3 system known as the Internet.

4 A special fund shall be set up by the treasurer of the
5 county and such funds collected pursuant to Public Act 83-1321
6 shall be used (1) for a document storage system to provide the
7 equipment, materials and necessary expenses incurred to help
8 defray the costs of implementing and maintaining such a
9 document records system and (2) for a system to provide
10 electronic access to those records.

11 The county board of any county that provides and maintains
12 a countywide map through a Geographic Information System (GIS)
13 may provide for an additional charge of \$3 for filing every
14 instrument, paper, or notice for record (1) in order to defray
15 the cost of implementing or maintaining the county's Geographic
16 Information System and (2) in order to defray the cost of
17 providing electronic access to the county's Geographic
18 Information System records. Of that amount, \$2 must be
19 deposited into a special fund set up by the treasurer of the
20 county, and any moneys collected pursuant to this amendatory
21 Act of the 91st General Assembly and deposited into that fund
22 must be used solely for the equipment, materials, and necessary
23 expenses incurred in implementing and maintaining a Geographic
24 Information System and in order to defray the cost of providing
25 electronic access to the county's Geographic Information
26 System records. The remaining \$1 must be deposited into the
27 recorder's special funds created under Section 3-5005.4. The
28 recorder may, in his or her discretion, use moneys in the funds
29 created under Section 3-5005.4 to defray the cost of
30 implementing or maintaining the county's Geographic
31 Information System and to defray the cost of providing
32 electronic access to the county's Geographic Information
33 System records.

34 The recorder shall collect a \$10 Rental Housing Support
35 Program State surcharge for the recordation of any real
36 estate-related document. Payment of the Rental Housing Support

1 Program State surcharge shall be evidenced by a receipt that
2 shall be marked upon or otherwise affixed to the real
3 estate-related document by the recorder. The form of this
4 receipt shall be prescribed by the Department of Revenue and
5 the receipts shall be issued by the Department of Revenue to
6 each county recorder. One dollar of the surcharge shall be
7 retained by the county in which it was collected in the
8 county's general revenue fund.

9 On the 15th day of each month, each county recorder shall
10 report to the Department of Revenue, on a form prescribed by
11 the Department, the number of real estate-related documents
12 recorded for which the Rental Housing Support Program State
13 surcharge was collected. Each recorder shall submit \$9 of the
14 Rental Housing Support Program State surcharges collected in
15 the preceding month to the Department of Revenue and the
16 Department shall deposit these amounts in the Rental Housing
17 Support Program Fund. Subject to appropriation, amounts in the
18 Fund may be expended only for the purpose of funding and
19 administering the Rental Housing Support Program.

20 The foregoing fees allowed by this Section are the maximum
21 fees that may be collected from any officer, agency, department
22 or other instrumentality of the State. The county board may,
23 however, by ordinance, increase the fees allowed by this
24 Section and collect such increased fees from all persons and
25 entities other than officers, agencies, departments and other
26 instrumentalities of the State if the increase is justified by
27 an acceptable cost study showing that the fees allowed by this
28 Section are not sufficient to cover the cost of providing the
29 service. Regardless of any other provision in this Section, the
30 maximum fee that may be collected from the Department of
31 Revenue for filing or indexing a lien, certificate of lien
32 release or subordination, or any other type of notice or other
33 documentation affecting or concerning a lien is \$5. Regardless
34 of any other provision in this Section, the maximum fee that
35 may be collected from the Department of Revenue for indexing
36 each additional name in excess of one for any lien, certificate

1 of lien release or subordination, or any other type of notice
2 or other documentation affecting or concerning a lien is \$1.

3 A statement of the costs of providing each service, program
4 and activity shall be prepared by the county board. All
5 supporting documents shall be public record and subject to
6 public examination and audit. All direct and indirect costs, as
7 defined in the United States Office of Management and Budget
8 Circular A-87, may be included in the determination of the
9 costs of each service, program and activity.

10 (Source: P.A. 92-16, eff. 6-28-01; 92-492, eff. 1-1-02; 93-256,
11 eff. 7-22-03.)

12 (55 ILCS 5/4-12002) (from Ch. 34, par. 4-12002)

13 Sec. 4-12002. Fees of recorder in third class counties. The
14 fees of the recorder in counties of the third class for
15 recording deeds or other instruments in writing and maps of
16 plats of additions, subdivisions or otherwise, and for
17 certifying copies of records, shall be paid in advance and
18 shall be as follows:

19 For recording deeds or other instruments \$20 for the first
20 2 pages thereof, plus \$2 for each additional page thereof. The
21 aggregate minimum fee for recording any one instrument shall
22 not be less than \$20.

23 For recording deeds or other instruments wherein the
24 premises affected thereby are referred to by document number
25 and not by legal description the recorder shall charge a fee of
26 \$4 in addition to that hereinabove referred to for each
27 document number therein noted.

28 For recording deeds or other instruments wherein more than
29 one tract, parcel or lot is described and such additional
30 tract, or tracts, parcel or parcels, lot or lots is or are
31 described therein as falling in a separate or different
32 addition or subdivision the recorder shall charge as an
33 additional fee, to that herein provided, the sum of \$2 for each
34 additional addition or subdivision referred to in such deed or
35 instrument.

1 For recording maps or plats of additions, subdivisions or
2 otherwise (including the spreading of the same of record in
3 well bound books) \$100 plus \$2 for each tract, parcel or lot
4 contained therein.

5 For certified copies of records the same fees as for
6 recording, but in no case shall the fee for a certified copy of
7 a map or plat of an addition, subdivision or otherwise exceed
8 \$200.

9 For filing of each release of any chattel mortgage or trust
10 deed which has been filed but not recorded and for indexing the
11 same in the book to be kept for that purpose \$10.

12 For processing the sworn or affirmed statement required for
13 filing a deed or assignment of a beneficial interest in a land
14 trust in accordance with Section 3-5020 of this Code, \$2.

15 The recorder shall charge an additional fee, in an amount
16 equal to the fee otherwise provided by law, for recording a
17 document (other than a document filed under the Plat Act or the
18 Uniform Commercial Code) that does not conform to the following
19 standards:

20 (1) The document shall consist of one or more
21 individual sheets measuring 8.5 inches by 11 inches, not
22 permanently bound and not a continuous form. Graphic
23 displays accompanying a document to be recorded that
24 measure up to 11 inches by 17 inches shall be recorded
25 without charging an additional fee.

26 (2) The document shall be legibly printed in black ink,
27 by hand, type, or computer. Signatures and dates may be in
28 contrasting colors if they will reproduce clearly.

29 (3) The document shall be on white paper of not less
30 than 20-pound weight and shall have a clean margin of at
31 least one-half inch on the top, the bottom, and each side.
32 Margins may be used only for non-essential notations that
33 will not affect the validity of the document, including but
34 not limited to form numbers, page numbers, and customer
35 notations.

36 (4) The first page of the document shall contain a

1 blank space, measuring at least 3 inches by 5 inches, from
2 the upper right corner.

3 (5) The document shall not have any attachment stapled
4 or otherwise affixed to any page.

5 A document that does not conform to these standards shall not
6 be recorded except upon payment of the additional fee required
7 under this paragraph. This paragraph, as amended by this
8 amendatory Act of 1995, applies only to documents dated after
9 the effective date of this amendatory Act of 1995.

10 The recorder shall collect a \$10 Rental Housing Support
11 Program State surcharge for the recordation of any real
12 estate-related document. Payment of the Rental Housing Support
13 Program State surcharge shall be evidenced by a receipt that
14 shall be marked upon or otherwise affixed to the real
15 estate-related document by the recorder. The form of this
16 receipt shall be prescribed by the Department of Revenue and
17 the receipts shall be issued by the Department of Revenue to
18 each county recorder. One dollar of the surcharge shall be
19 retained by the county in which it was collected in the
20 county's general revenue fund.

21 On the 15th day of each month, each county recorder shall
22 report to the Department of Revenue, on a form prescribed by
23 the Department, the number of real estate-related documents
24 recorded for which the Rental Housing Support Program State
25 surcharge was collected. Each recorder shall submit \$9 of the
26 Rental Housing Support Program State surcharges collected in
27 the preceding month to the Department of Revenue and the
28 Department shall deposit these amounts in the Rental Housing
29 Support Program Fund. Subject to appropriation, amounts in the
30 Fund may be expended only for the purpose of funding and
31 administering the Rental Housing Support Program.

32 The fee requirements of this Section apply to units of
33 local government and school districts.

34 Regardless of any other provision in this Section, the
35 maximum fee that may be collected from the Department of
36 Revenue for filing or indexing a lien, certificate of lien

1 release or subordination, or any other type of notice or other
2 documentation affecting or concerning a lien is \$5. Regardless
3 of any other provision in this Section, the maximum fee that
4 may be collected from the Department of Revenue for indexing
5 each additional name in excess of one for any lien, certificate
6 of lien release or subordination, or any other type of notice
7 or other documentation affecting or concerning a lien is \$1.
8 (Source: P.A. 92-492, eff. 1-1-02.)

9 Section 99. Effective date. This Act takes effect on
10 January 1, 2005.