

**SB2577**



**96TH GENERAL ASSEMBLY**

**State of Illinois**

**2009 and 2010**

**SB2577**

Introduced 1/21/2010, by Sen. Larry K. Bomke

**SYNOPSIS AS INTRODUCED:**

310 ILCS 105/15

Amends the Rental Housing Support Program Act. Provides that any grant money distributed to a local administering agency under the Rental Housing Support Program that has not been used within 2 years of the distribution date shall be allocated to that local administering agency's county general fund, if and only if a resolution is passed by the county board urging such action.

LRB096 16015 KTG 31261 b

**A BILL FOR**

1 AN ACT concerning housing.

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

4 Section 5. The Rental Housing Support Program Act is  
5 amended by changing Section 15 as follows:

6 (310 ILCS 105/15)

7 Sec. 15. Grants to local administering agencies.

8 (a) Under the program, the Authority shall make grants to  
9 local administering agencies to provide subsidies to landlords  
10 to enable the landlords to charge rent affordable for  
11 low-income tenants. Grants shall also include an amount for the  
12 operating expenses of local administering agencies. Operating  
13 expenses for local administering agencies shall not exceed 10%  
14 for grants under \$500,000 and shall not exceed 7% for grants  
15 over \$500,000.

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

22 (c) Local administering agencies may be local governmental  
23 bodies, local housing authorities, or not-for-profit

1 organizations. The Authority shall set forth in rules the  
2 financial and capacity requirements necessary for an  
3 organization to qualify as a local administering agency and the  
4 parameters for administration of the grants by local  
5 administering agencies.

6 (d) The Authority shall distribute grants to local  
7 administering agencies according to a formula based on U.S.  
8 Census data. The formula shall determine percentages of the  
9 funds to be distributed to the following geographic areas: (i)  
10 Chicago; (ii) suburban areas: Cook County (excluding Chicago),  
11 DuPage County, Lake County, Kane County, Will County, and  
12 McHenry County; (iii) small metropolitan areas: Springfield,  
13 Rockford, Peoria, Decatur, Champaign-Urbana,  
14 Bloomington-Normal, Rock Island, DeKalb, Madison County,  
15 Moline, Pekin, Rantoul, and St. Clair County; and (iv) rural  
16 areas, defined as all areas of the State not specifically named  
17 in items (i), (ii), and (iii) of this subsection. A geographic  
18 area's percentage share shall be determined by the total number  
19 of households that have an annual income of less than 50% of  
20 State median income for a household of 4, as determined by the  
21 U.S. Department of Housing and Urban Development, and that are  
22 paying more than 30% of their income for rent. The geographic  
23 distribution shall be re-determined by the Authority each time  
24 new U.S. Census data becomes available. The Authority shall  
25 phase in any changes to the geographic formula to prevent a  
26 large withdrawal of resources from one area that could

1 negatively impact households receiving rental housing support.  
2 Up to 20% of the funds allocated for rural areas, as defined in  
3 this subsection, may be set aside and awarded to one  
4 administering agency to be distributed throughout the rural  
5 areas in the State to localities that desire a number of  
6 subsidized units of housing that is too small to justify the  
7 establishment of a full local program. In those localities, the  
8 administering agency may contract with local agencies to share  
9 the administrative tasks of the program, such as inspections of  
10 units.

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

22 (f) In order to maintain consistency for households  
23 receiving rental housing support, the Authority shall, to the  
24 extent possible given funding resources available in the Rental  
25 Housing Support Program, continue to fund local administering  
26 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 (g) If and only if a resolution is passed by the county  
5 board urging such action, any grant money distributed to a  
6 local administering agency under the program that has not been  
7 used within 2 years of the distribution date shall be allocated  
8 to that local administering agency's county general fund.

9 (Source: P.A. 94-118, eff. 7-5-05.)