

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 Sections 5 and 25 and by adding Section 95  
6 as follows:

7 (310 ILCS 105/5)

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

1 to help localities address the need for decent, affordable,  
2 permanent rental housing.

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

4 (310 ILCS 105/25)

5 Sec. 25. Criteria for awarding grants. The Authority shall  
6 adopt rules to govern the awarding of grants and the continuing  
7 eligibility for grants under Sections 15 and 20. Requests for  
8 proposals under Section 20 must specify that proposals must  
9 satisfy these rules. The rules must contain and be consistent  
10 with, but need not be limited to, the following criteria:

11 (1) Eligibility for tenancy in the units supported by  
12 grants to local administering agencies must be limited to  
13 households with gross income at or below 30% of the median  
14 family income for the area in which the grant will be made.  
15 Fifty percent of the units that are supported by any grant  
16 must be set aside for households whose income is at or  
17 below 15% of the area median family income for the area in  
18 which the grant will be made, provided that local  
19 administering agencies may negotiate flexibility in this  
20 set-aside with the Authority if they demonstrate that they  
21 have been unable to locate sufficient tenants in this lower  
22 income range. Income eligibility for units supported by  
23 grants to local administering agencies must be verified  
24 annually by landlords and submitted to local administering  
25 agencies. Tenants must have sufficient income to be able to

1           afford the tenant's share of the rent. For grants awarded  
2           under Section 20, eligibility for tenancy in units  
3           supported by grants must be limited to households with a  
4           gross income at or below 30% of area median family income  
5           for the area in which the grant will be made. Fifty percent  
6           of the units that are supported by any grant must be set  
7           aside for households whose income is at or below 15% of the  
8           median family income for the area in which the grant will  
9           be made, provided that developers may negotiate  
10          flexibility in this set-aside with the Authority or  
11          municipality as defined in subsection (b) of Section 10 if  
12          it demonstrates that it has been unable to locate  
13          sufficient tenants in this lower income range. The  
14          Authority shall determine what sources qualify as a  
15          tenant's income.

16           (2) Local administering agencies must include  
17          2-bedroom, 3-bedroom, and 4-bedroom units among those  
18          intended to be supported by grants under the program. In  
19          grants under Section 15, the precise number of these units  
20          among all the units intended to be supported by a grant  
21          must be based on need in the community for larger units and  
22          other factors that the Authority specifies in rules. The  
23          local administering agency must specify the basis for the  
24          numbers of these units that are proposed for support under  
25          a grant. Local administering agencies must make a good  
26          faith effort to comply with this allocation of unit sizes.

1 In grants awarded under Section 20, developers and the  
2 Authority or municipality, as defined in subsection (b) of  
3 Section 10, shall negotiate the numbers and sizes of units  
4 to be built in a project and supported by the grant.

5 (3) Under grants awarded under Section 15, local  
6 administering agencies must enter into a payment contract  
7 with the landlord that defines the method of payment and  
8 must pay subsidies to landlords on a quarterly basis and in  
9 advance of the quarter paid for.

10 (4) Local administering agencies and developers must  
11 specify how vacancies in units supported by a grant must be  
12 advertised and they must include provisions for outreach to  
13 local homeless shelters, organizations that work with  
14 people with disabilities, and others interested in  
15 affordable housing.

16 (5) The local administering agency or developer must  
17 establish a schedule for the tenant's rental obligation for  
18 units supported by a grant. The tenant's share of the rent  
19 must be a flat amount, calculated annually, based on the  
20 size of the unit and the household's income category. In  
21 establishing the schedule for the tenant's rental  
22 obligation, the local administering agency or developer  
23 must use 30% of gross income within an income range as a  
24 guide, and it may charge an additional or lesser amount.

25 (6) The amount of the subsidy provided under a grant  
26 for a unit must be the difference between the amount of the

1 tenant's obligation and the total amount of rent for the  
2 unit. The total amount of rent for the unit must be  
3 negotiated between the local administering authority and  
4 the landlord under Section 15, or between the Authority or  
5 municipality, as defined in subsection (b) of Section 10,  
6 and the developer under Section 20, using comparable rents  
7 for units of comparable size and condition in the  
8 surrounding community as a guideline.

9 (7) Local administering agencies and developers,  
10 pursuant to criteria the Authority develops in rules, must  
11 ensure that there are procedures in place to maintain the  
12 safety and habitability of units supported under grants.  
13 Local administering agencies must inspect units before  
14 supporting them under a grant awarded under Section 15.

15 (8) Local administering agencies must provide or  
16 ensure that tenants are provided with a "bill of rights"  
17 with their lease setting forth local landlord-tenant laws  
18 and procedures and contact information for the local  
19 administering agency.

20 (9) A local administering agency must create a plan  
21 detailing a process for helping to provide information,  
22 when necessary, on how to access education, training, and  
23 other supportive services to tenants living in units  
24 supported under the grant. The plan must be submitted as a  
25 part of the administering agency's proposal to the  
26 Authority required under Section 15.

1           (10) (Blank). ~~Local administering agencies and~~  
2 ~~developers may not use funding under the grant to develop~~  
3 ~~or support housing that requires that a tenant has a~~  
4 ~~particular diagnosis or type or presence of disability as a~~  
5 ~~condition of eligibility for occupancy unless the~~  
6 ~~requirement is mandated by another funding source for the~~  
7 ~~housing.~~

8           (11) In order to plan for periodic fluctuations in  
9 program revenue, the Authority shall establish by rule a  
10 mechanism for establishing a reserve fund and the level of  
11 funding that shall be held in reserve either by the  
12 Authority or by local administering agencies.

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

14 (310 ILCS 105/95 new)

15 Sec. 95. Severability. If any provisions of this Act or its  
16 application to any person or circumstance is held invalid, the  
17 invalidity of that provision or application does not affect  
18 other provisions or applications of this Act that can be given  
19 effect without the invalid provision or application.

20 Section 99. Effective date. This Act takes effect upon  
21 becoming law.