



Sen. Iris Y. Martinez

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LRB099 03489 KTG 31539 a

1 AMENDMENT TO SENATE BILL 742

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 742 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Rental Housing Support Program Act is  
5 amended by changing Sections 7, 10, and 25 as follows:

6 (310 ILCS 105/7)

7 Sec. 7. Definitions. In this Act:

8 "Annual receipts" means revenue derived from the Rental  
9 Housing Support Program State surcharge from July 1 to June 30.

10 "Authority" means the Illinois Housing Development  
11 Authority.

12 "Developer" means any entity that receives a grant under  
13 Section 20.

14 "Program" means the Rental Housing Support Program.

15 "Real estate-related document" means any recorded document  
16 that affects an interest in real property excluding documents

1 which solely affect or relate to an easement for water, sewer,  
2 electricity, gas, telephone or other public service.

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

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

7 (310 ILCS 105/10)

8 Sec. 10. Creation of Program and distribution of funds.

9 (a) The Rental Housing Support Program is created within  
10 the Illinois Housing Development Authority. The Authority  
11 shall administer the Program ~~program~~ and adopt rules for its  
12 implementation.

13 (b) The Authority shall distribute amounts for the Program  
14 solely from annual receipts on deposit in the Rental Housing  
15 Support Program Fund that are appropriated in each year for  
16 distribution by the Authority for the Program, and not from any  
17 other source of funds for the Authority, ~~The Authority shall~~  
18 ~~distribute amounts appropriated for the Program from the Rental~~  
19 ~~Housing Support Program Fund and any other appropriations~~  
20 ~~provided for the Program~~ as follows:

21 (1) A proportionate share of annual receipts on deposit  
22 appropriated to the Fund each year ~~the annual~~  
23 ~~appropriation~~, as determined under subsection (d) of  
24 Section 15 of this Act, shall be distributed to  
25 municipalities with a population greater than 2,000,000.

1 Those municipalities shall use at least 10% of those funds  
2 in accordance with Section 20 of this Act, and all  
3 provisions governing the Authority's actions under Section  
4 20 shall govern the actions of the corporate authorities of  
5 a municipality under this Section. As to the balance of the  
6 annual distribution, the municipality shall designate a  
7 non-profit organization that meets the specific criteria  
8 set forth in Section 25 of this Act to serve as the "local  
9 administering agency" under Section 15 of this Act.

10 (2) Of the remaining annual receipts on deposit  
11 appropriated to the Fund each year ~~appropriation~~ after the  
12 distribution in paragraph (1) of this subsection, the  
13 Authority shall designate at least 10% for the purposes of  
14 Section 20 of this Act in areas of the State not covered  
15 under paragraph (1) of this subsection.

16 (3) The remaining annual receipts on deposit  
17 appropriated to the Fund each year ~~appropriation~~ after the  
18 distributions in paragraphs (1) and (2) of this subsection  
19 shall be distributed according to Section 15 of this Act in  
20 areas of the State not covered under paragraph (1) of this  
21 subsection.

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

23 (310 ILCS 105/25)

24 Sec. 25. Criteria for awarding grants. The Authority shall  
25 adopt rules to govern the awarding of grants and the continuing

1 eligibility for grants under Sections 15 and 20. Requests for  
2 proposals under Section 20 must specify that proposals must  
3 satisfy these rules. The rules must contain and be consistent  
4 with, but need not be limited to, the following criteria:

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

1 median family income for the area in which the grant will  
2 be made, provided that developers may negotiate  
3 flexibility in this set-aside with the Authority or  
4 municipality as defined in subsection (b) of Section 10 if  
5 it demonstrates that it has been unable to locate  
6 sufficient tenants in this lower income range. The  
7 Authority shall determine what sources qualify as a  
8 tenant's income.

9 (2) Local administering agencies must include  
10 2-bedroom, 3-bedroom, and 4-bedroom units among those  
11 intended to be supported by grants under the Program  
12 ~~program~~. In grants under Section 15, the precise number of  
13 these units among all the units intended to be supported by  
14 a grant must be based on need in the community for larger  
15 units and other factors that the Authority specifies in  
16 rules. The local administering agency must specify the  
17 basis for the numbers of these units that are proposed for  
18 support under a grant. Local administering agencies must  
19 make a good faith effort to comply with this allocation of  
20 unit sizes. In grants awarded under Section 20, developers  
21 and the Authority or municipality, as defined in subsection  
22 (b) of Section 10, shall negotiate the numbers and sizes of  
23 units to be built in a project and supported by the grant.

24 (3) Under grants awarded under Section 15, local  
25 administering agencies must enter into a payment contract  
26 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 they must include provisions for outreach to  
6 local homeless shelters, organizations that work with  
7 people with disabilities, and others interested in  
8 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, calculated annually, based on the  
13 size of the unit and the household's income category. In  
14 establishing the schedule for the tenant's rental  
15 obligation, the local administering agency or developer  
16 must use 30% of gross income within an income range as a  
17 guide, and it may charge 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 or  
24 municipality, as defined in subsection (b) of Section 10,  
25 and the developer under Section 20, using comparable rents  
26 for units of comparable size and condition in the

1 surrounding community as a guideline.

2 (7) Local administering agencies and developers,  
3 pursuant to criteria the Authority develops in rules, must  
4 ensure that there are procedures in place to maintain the  
5 safety and habitability of units supported under grants.  
6 Local administering agencies must inspect units before  
7 supporting them under a grant awarded under Section 15.

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

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

20 (10) Local administering agencies and developers may  
21 not use funding under the grant to develop or support  
22 housing that requires that a tenant has a particular  
23 diagnosis or type of disability as a condition of  
24 eligibility for occupancy unless the requirement is  
25 mandated by another funding source for the housing. Local  
26 administering agencies and developers may use grant

1 funding to develop integrated housing opportunities for  
2 persons with disabilities, but not housing restricted to a  
3 specific disability type.

4 (11) In order to plan for periodic fluctuations in  
5 annual receipts on deposit appropriated to the Fund each  
6 year ~~program revenue~~, the Authority shall establish by rule  
7 a mechanism for establishing a reserve fund and the level  
8 of funding that shall be held in reserve either by the  
9 Authority or by local administering agencies.

10 (12) The Authority shall perform annual  
11 reconciliations of all distributions made in connection  
12 with the Program and may offset future distributions to  
13 balance geographic distribution requirements of this Act.

14 (Source: P.A. 97-892, eff. 8-3-12.)

15 Section 99. Effective date. This Act takes effect upon  
16 becoming law.".