



Rep. Lilian Jiménez

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1 AMENDMENT TO SENATE BILL 1261

2 AMENDMENT NO. _____. Amend Senate Bill 1261 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Community Land Trust Home Ownership Act.

6 Section 5. Purpose. The purpose of this Act is to ensure
7 access to affordable housing loan products, grants, and other
8 types of assistance for buyers and owners of housing located
9 in a community land trust or other leasehold ownership
10 structure with a ground lease between the buyer or owner and a
11 501(c)(3) organization.

12 Section 10. Findings. The General Assembly finds the
13 following:

14 (1) The State of Illinois is facing an affordable
15 housing crisis.

1 (2) Homeownership is the principal way families build
2 wealth, yet homeownership is most inaccessible to
3 communities of color in Illinois, who are 1.6 times less
4 likely than white people to be homeowners.

5 (3) Homeownership serves as a critical tool to close
6 the racial wealth gap by enabling historically excluded
7 families to build generational wealth.

8 (4) Community land trusts and other ownership
9 structures that promote long-term affordability are
10 critical housing options that can reduce the affordable
11 housing gap.

12 (5) Community land trusts and other ownership
13 structures that promote long-term affordability curb
14 displacement and foster generational wealth by creating
15 opportunities for homeownership to remain affordable for
16 generations.

17 (6) Community land trusts and other ownership
18 structures that promote long-term affordability preserve
19 naturally occurring affordable housing by closing the
20 affordability gap so that low-to-moderate income
21 households can live in high opportunity neighborhoods.

22 (7) The property tax sale system contributes to the
23 racial wealth gap in homeownership by transferring home
24 equity from communities of color to investors, threatening
25 community stability, and increasing housing costs.

26 (8) Community land trusts can be a powerful solution

1 for homeowners facing delinquent property taxes or other
2 financial threats to continued homeownership that keeps
3 residents in their homes and creates permanently
4 affordable properties for future buyers.

5 (9) Local community land trusts currently operate to
6 successfully preserve and create affordable housing in
7 urban areas in Illinois, but there is need for centralized
8 support and coordination for the establishment of local
9 community land trusts across the State.

10 Section 15. Definitions. As used in this Act:

11 "501(c)(3) organization" means a nonprofit organization
12 that is exempt or qualified for exemption from taxation under
13 Section 501(c)(3) of the Internal Revenue Code of 1986.

14 "Community land trust" means a 501(c)(3) organization
15 governed by a board of community land trusts residents,
16 community residents, and public representatives that provide
17 permanent or long-term affordability and shared equity
18 homeownership opportunities.

19 Section 20. Eligibility for homeownership programs. The
20 Illinois Housing Development Authority's homeownership
21 programs, including loan products, grants, and other types of
22 assistance, shall be made available to home buyers and owners
23 seeking to purchase or maintain housing where a leasehold
24 interest in real property is held by a community land trust or

1 other 501(c)(3) organization for the purposes of promoting
2 long-term affordability, preservation of affordable housing,
3 or community revitalization efforts. Any other type of seller,
4 including for-profit or private sellers of homes, through
5 leasehold agreements, such as installment contracts, contract
6 for deeds, or any other type of purchase or ownership
7 structure, shall not be eligible under this Section.

8 Section 25. Rulemaking. Within 90 days after the effective
9 date of this Act, the Illinois Housing Development Authority
10 shall propose new or amended administrative rules that will
11 make the Authority's homeownership programs consistent with
12 the purposes of this Act.

13 Section 30. Community Land Trust Task Force.

14 (a) The Community Land Trust Task Force is created within
15 the Illinois Housing Development Authority to explore the
16 findings of the 2024 Community Land Trust Report. The Task
17 Force shall consist of the following members:

18 (1) The Governor, or his or her designee.

19 (2) The Executive Director of the Illinois Housing
20 Development Authority, or his or her designee.

21 (3) The Director of Revenue, or his or her designee.

22 (4) The Secretary of Human Services, or his or her
23 designee.

24 (5) The Director of Commerce and Economic Opportunity,

1 or his or her designee.

2 (6) One member representing the Governor's Office of
3 Management and Budget, appointed by the Governor.

4 (7) One member of the Senate, appointed by the
5 President of the Senate.

6 (8) One member of the Senate, appointed by the
7 Minority Leader of the Senate.

8 (9) One member of the House of Representatives,
9 appointed by the Speaker of the House of Representatives.

10 (10) One member of the House of Representatives,
11 appointed by the Minority Leader of the House of
12 Representatives.

13 (11) One representative from each of the 4
14 Illinois-based community land trusts that were established
15 for the purpose of supporting affordable housing,
16 appointed by the Governor.

17 (12) One representative of a university located in
18 Illinois who has expertise on housing studies, appointed
19 by the Governor.

20 (13) One member representing a national laboratory
21 that provides technical support to advance affordable
22 housing solutions, appointed by the Governor.

23 (14) One member representing a statewide organization
24 that advocates for affordable housing in Illinois,
25 appointed by the Governor.

26 (15) One member from the nongovernmental sector,

1 appointed by the Governor.

2 (b) All members of the Task Force shall serve without
3 compensation. Task Force members shall be appointed within 30
4 days after the effective date of this Act. If a vacancy occurs
5 in the membership, a replacement shall be appointed by the
6 co-chairs of the Task Force.

7 (c) The following individuals shall serve as co-chairs of
8 the Task Force:

9 (1) the Executive Director of the Illinois Housing
10 Development Authority, or his or her designee;

11 (2) the member of the Senate appointed by the
12 President of the Senate; and

13 (3) the member of the House of Representatives
14 appointed by the Speaker of the House of Representatives.

15 (d) The member from the nongovernmental sector shall serve
16 as vice-chair of the Task Force.

17 Section 35. Administrative support. The Illinois Housing
18 Development Authority shall provide administrative and
19 technical support to the Community Land Trust Task Force, be
20 responsible for administering the Task Force's operations, and
21 ensure that the duties of the Task Force are completed.

22 Section 40. Meetings. The Community Land Trust Task Force
23 shall hold its initial meeting within 60 days after the
24 effective date of this Act. The Task Force shall convene and

1 meet at the call of the co-chairs and shall meet as frequently
2 as necessary to carry out its duties under Section 45.

3 Section 45. Duties. The Community Land Trust Task Force
4 shall:

5 (1) implement the 2024 Community Land Trust Task Force
6 Report recommendations including, but not limited to:

7 (A) exploring funding mechanisms currently
8 existing through the State as well as identifying new
9 revenue streams including, but not limited to, bond
10 issuance, innovation funding, real estate transfer
11 tax, and the Illinois Affordable Housing Trust Fund;

12 (B) considering the incorporation of community
13 land trusts into the local tax sale process;

14 (C) exploring methods for providing technical
15 assistance support to emerging community land trusts;

16 (D) evaluating different approaches to community
17 land trust centralization; and

18 (E) ensuring statewide use of existing tax
19 assessment language and adjusting policy to ease
20 burdens on community land trusts and community land
21 trust owners;

22 (2) study the use of community land trusts as a tool to
23 create permanently affordable housing, including as an
24 alternative to property tax sales;

25 (3) increase the number of State grants for

1 organizational capacity-building and housing development,
2 with spending rules tailored to the needs of community
3 land trusts and the size of community land trust projects;

4 (4) promote innovative sources of dedicated funding
5 and property for community land trusts;

6 (5) leverage rising industry and catalytic projects to
7 generate revenue for lasting affordable housing; and

8 (6) encourage partnerships between community land
9 trusts and land banks.

10 Section 50. Report. The Community Land Trust Task Force
11 shall submit a report to the Governor and General Assembly
12 covering the Task Force's investigation into community land
13 trusts and the Task Force's duties under Section 45. The
14 report shall be made available on the Illinois Housing
15 Development Authority's website for viewing by the general
16 public.

17 Section 55. Duration. The Community Land Trust Task Force
18 is dissolved, and this Section and Sections 30, 35, 40, 45, and
19 50 are repealed, 14 months after the date upon which the Task
20 Force holds its first meeting.

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