

1 AN ACT concerning regulation.

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 COVID-19 Affordable Housing Grant Program Act.

6 Section 5. Purpose and findings. The State of Illinois  
7 faces a large shortage of decent, affordable rental housing  
8 for low-income and moderate-income households. The COVID-19  
9 pandemic has dramatically increased this need for affordable  
10 housing. The development of affordable housing will help  
11 Illinois to address the need for more housing, jobs, tax base,  
12 tax revenue, and population in the State. These funds will  
13 help developers to overcome increased construction costs  
14 related to pandemic-created supply shortages (in lumber and  
15 other materials) and to jump-start a housing recovery in  
16 Illinois in the wake of the pandemic. These funds will also  
17 incentivize and attract private equity and private lending and  
18 will allow the State to more fully use and draw down unused  
19 federal resources for affordable housing. Funding will be used  
20 for the acquisition, construction, development,  
21 predevelopment, or rehabilitation of affordable multifamily  
22 rental development.

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

2 "Authority" means the Illinois Housing Development  
3 Authority.

4 "Disproportionately impacted area" means a census tract or  
5 comparable geographic area that meets at least one of the  
6 following criteria, as determined by the Department of  
7 Commerce and Economic Opportunity:

8 (1) the area has a poverty rate of at least 20%  
9 according to the latest federal decennial census;

10 (2) 75% or more of the children in the area  
11 participate in the federal free lunch program according to  
12 reported statistics from the State Board of Education;

13 (3) at least 20% of the households in the area receive  
14 assistance under the Supplemental Nutrition Assistance  
15 Program; or

16 (4) the area has an average unemployment rate, as  
17 determined by the Department of Employment Security, that  
18 is more than 120% of the national unemployment average, as  
19 determined by the United States Department of Labor, for a  
20 period of at least 2 consecutive calendar years preceding  
21 the date of the application.

22 "Federal tax credit" means the federal low-income housing  
23 tax credit provided by Section 42 of the federal Internal  
24 Revenue Code, including federal low-income housing tax credits  
25 issued pursuant to 26 U.S.C. 42(h)(3) and 26 U.S.C. 42(h)(4).

26 "Qualified development" means a qualified low-income

1 housing project, as that term is defined in Section 42 of the  
2 federal Internal Revenue Code of 1986, that is located in the  
3 State and is determined to be eligible for the federal tax  
4 credit set forth in Section 42 of the Internal Revenue Code.

5 Section 15. Grant program. Subject to appropriation for  
6 this purpose, the Authority shall establish an affordable  
7 housing grant program to encourage the construction and  
8 rehabilitation of affordable multifamily rental housing in  
9 response to the COVID-19 pandemic. Funding may be used for the  
10 acquisition, construction, development, predevelopment, or  
11 rehabilitation of a qualified development. The goal of the  
12 grant program shall be to fund the development and  
13 preservation of up to 3,500 affordable rental homes and  
14 apartments by December 31, 2024. Project sponsors who wish to  
15 participate in the affordable housing grant program shall  
16 submit a grant application to the Authority in accordance with  
17 rules adopted by the Authority. The Authority shall prescribe,  
18 by rule, standards and procedures for the provision of  
19 demonstration grant funds in relation to each grant  
20 application.

21 Section 20. Affordable multifamily rental housing gap  
22 financing. Where a qualified development has been awarded a  
23 federal tax credit, the recipient may request additional gap  
24 financing under this grant program as the Authority deems

1 appropriate. Through the program, the Authority shall provide  
2 grants with no expectation of repayment.

3 Section 25. Prioritization efforts.

4 (a) The Authority shall make best efforts to prioritize  
5 grant applications for proposed developments as follows:

6 (1) developments that are located within an area that  
7 was disproportionately affected by the COVID-19 pandemic  
8 based on the number of positive COVID-19 cases;

9 (2) developments involving contracts with certified  
10 disadvantaged business enterprises and certified  
11 underrepresented business enterprises owned by minorities,  
12 women, veterans, LGBT persons, and persons with  
13 disabilities during construction;

14 (3) developments involving project labor agreements  
15 with local building trades; and

16 (4) developments involving contracts or subcontracts  
17 with a registered apprenticeship program or  
18 preapprenticeship program.

19 (b) The Authority shall balance the approval of projects  
20 between those located within a disproportionately impacted  
21 area as defined under this Act and those located in areas of  
22 opportunity, as defined or recognized by the Authority.

23 Section 30. Annual reporting to the General Assembly.

24 (a) The Authority shall submit an annual report to the

1 General Assembly no later than March 31 of each calendar year  
2 with the first annual report due no later than March 31, 2022.

3 (b) The annual report must describe the grant program's  
4 administration and the number and type of projects funded as  
5 of the date of the report with the following information:

6 (1) location of projects and demographics of the  
7 surrounding community;

8 (2) accessibility of projects to public  
9 transportation, schools, health care, grocery stores, and  
10 banking institutions;

11 (3) total number of residential units developed or  
12 rehabbed per project;

13 (4) total number of affordable units developed or  
14 rehabbed per project;

15 (5) total number of affordable units put into service;

16 (6) number of program applications;

17 (7) number of applications awarded;

18 (8) amount of funding awarded through the program per  
19 calendar year;

20 (9) amount of funding awarded through the grant  
21 program to date;

22 (10) specific data for each prioritization category  
23 listed under Section 25;

24 (11) delays or issues with development including, but  
25 not limited to, acquisition, zoning and permits, labor,  
26 and materials; and

1 (12) any compliance issues with grant recipients and  
2 the corrective action taken.

3 Section 35. Repeal. This Act is repealed on April 1, 2025.

4 Section 900. The Illinois Housing Development Act is  
5 amended by changing Section 7.28 and 22 as follows:

6 (20 ILCS 3805/7.28)

7 Sec. 7.28. Tax credit for donation to sponsors. The  
8 Authority may administer and adopt rules for an affordable  
9 housing tax donation credit program to provide tax credits for  
10 donations as set forth in this Section.

11 (a) In this Section:

12 "Administrative housing agency" means either the Authority  
13 or an agency of the City of Chicago.

14 "Affordable housing project" means either:

15 (1) ~~(i)~~ a rental project in which at least 25% of the  
16 units have rents (including tenant-paid heat) that do not  
17 exceed, on a monthly basis, maximum gross rent figures, as  
18 published by the Authority, that are:

19 (i) based on data published annually by the U.S.  
20 Department of Housing and Urban Development; τ

21 (ii) based on the annual income of households  
22 earning 60% of the area median income; τ

23 (iii) computed using a 30% of gross monthly income

1 standard; and

2 (iv) adjusted for unit size and at least 25% of the  
3 units are occupied by persons and families whose  
4 incomes do not exceed 60% of the median family income  
5 for the geographic area in which the residential unit  
6 is located; or

7 (2) ~~(ii)~~ a unit for sale to homebuyers whose gross  
8 household income is at or below (A) 60% of the area median  
9 income (for taxable years beginning prior to January 1,  
10 2022) or (B) 120% of the area median income (for taxable  
11 years beginning on or after January 1, 2022) and who pay no  
12 more than 30% of their gross household income for mortgage  
13 principal, interest, property taxes, and property  
14 insurance (PITI).

15 "Donation" means money, securities, or real or personal  
16 property that is donated to a not-for-profit sponsor that is  
17 used solely for costs associated with either (i) purchasing,  
18 constructing, or rehabilitating an affordable housing project  
19 in this State, (ii) an employer-assisted housing project in  
20 this State, (iii) general operating support, or (iv) technical  
21 assistance as defined by this Section.

22 "Employer-assisted housing project" means either  
23 down-payment assistance, reduced-interest mortgages, mortgage  
24 guarantee programs, rental subsidies, or individual  
25 development account savings plans that are provided by  
26 employers to employees to assist in securing affordable

1 housing near the workplace ~~work-place~~, that are restricted to  
2 housing near the workplace ~~work-place~~, and that are restricted  
3 to employees whose gross household income is at or below 120%  
4 of the area median income.

5 "General operating support" means any cost incurred by a  
6 sponsor that is a part of its general program costs and is not  
7 limited to costs directly incurred by the affordable housing  
8 project.

9 "Geographical area" means the metropolitan area or county  
10 designated as an area by the federal Department of Housing and  
11 Urban Development under Section 8 of the United States Housing  
12 Act of 1937, as amended, for purposes of determining fair  
13 market rental rates.

14 "Median income" means the incomes that are determined by  
15 the federal Department of Housing and Urban Development  
16 guidelines and adjusted for family size.

17 "Project" means an affordable housing project, an  
18 employer-assisted housing project, general operating support,  
19 or technical assistance.

20 "Sponsor" means a not-for-profit organization that (i) is  
21 organized as a not-for-profit organization under the laws of  
22 this State or another state and (1) for an affordable housing  
23 project, has as one of its purposes the development of  
24 affordable housing; (2) for an employer-assisted housing  
25 project, has as one of its purposes home ownership education;  
26 and (3) for a technical assistance project, has as one of its



1 purposes either the development of affordable housing or home  
2 ownership education; (ii) is organized for the purpose of  
3 constructing or rehabilitating affordable housing units and  
4 has been issued a ruling from the Internal Revenue Service of  
5 the United States Department of the Treasury that the  
6 organization is exempt from income taxation under provisions  
7 of the Internal Revenue Code; or (iii) is an organization  
8 designated as a community development corporation by the  
9 United States government under Title VII of the Economic  
10 Opportunity Act of 1964.

11 "Tax credit" means a tax credit allowed under Section 214  
12 of the Illinois Income Tax Act.

13 "Technical assistance" means any cost incurred by a  
14 sponsor for project planning, assistance with applying for  
15 financing, or counseling services provided to prospective  
16 homebuyers.

17 (b) A sponsor must apply to an administrative housing  
18 agency for approval of the project. The administrative housing  
19 agency must reserve a specific amount of tax credits for each  
20 approved project. Tax credits for general operating support  
21 can only be reserved as part of a reservation of tax credits  
22 for an affordable housing project, an employer-assisted  
23 housing project, or technical assistance. No tax credits shall  
24 be allowed for a project without a reservation of such tax  
25 credits by an administrative housing agency for that project.

26 (c) The Authority must adopt rules establishing criteria

1 for eligible costs and donations, issuing and verifying tax  
2 credits, and selecting projects that are eligible for a tax  
3 credit.

4 (d) Tax credits for employer-assisted housing projects are  
5 limited to that pool of tax credits that have been set aside  
6 for employer-assisted housing. Tax credits for general  
7 operating support are limited to 10% of the total tax credit  
8 reservation for the related project (other than general  
9 operating support) and are also limited to that pool of tax  
10 credits that have been set aside for general operating  
11 support. Tax credits for technical assistance are limited to  
12 that pool of tax credits that have been set aside for technical  
13 assistance.

14 (e) The amount of tax credits reserved by the  
15 administrative housing agency for an approved project is  
16 limited to \$32,850,352 in State fiscal years 2022 and 2023 ~~\$13~~  
17 ~~million in the initial year~~ and shall increase by 5% each  
18 fiscal year thereafter ~~by 5%~~. The City of Chicago shall  
19 receive 24.5% of total tax credits authorized for each fiscal  
20 year. The Authority shall receive the balance of the tax  
21 credits authorized for each fiscal year. The tax credits may  
22 be used anywhere in this State. The tax credits have the  
23 following set-asides:

24 (1) for employer-assisted housing projects, \$2  
25 million; and

26 (2) for general operating support and technical

1 assistance, \$1 million.

2 The balance of the funds must be used for affordable  
3 housing projects. During the first 9 months of a fiscal year,  
4 if an administrative housing agency is unable to reserve the  
5 tax credits set aside for the purposes described in subsection  
6 (e), the administrative housing agency may reserve the tax  
7 credits for any approved projects.

8 (f) The administrative housing agency that reserves tax  
9 credits for an affordable housing project must record against  
10 the land upon which the affordable housing project is located  
11 an instrument to assure that the property maintains its  
12 affordable housing compliance for a minimum of 10 years. The  
13 Authority has flexibility to assure that the instrument does  
14 not cause undue hardship on homeowners.

15 (Source: P.A. 92-491, eff. 8-23-01; 93-369, eff. 7-24-03.)

16 (20 ILCS 3805/22) (from Ch. 67 1/2, par. 322)

17 Sec. 22. (a) The Authority shall not have outstanding at  
18 any one time bonds and notes for any of its corporate purposes  
19 in an aggregate principal amount exceeding \$7,200,000,000  
20 ~~\$3,600,000,000~~, excluding bonds and notes issued to refund  
21 outstanding bonds and notes.

22 (b) Of the authorized aggregate principal amount of  
23 \$7,200,000,000 ~~\$3,600,000,000~~ provided for by this Section,  
24 the amount of \$150,000,000 shall be used for the purposes  
25 specified in Sections 7.23 and 7.24 of this Act.

1 (c) Of the \$1,000,000,000 authorized by this amendatory  
2 Act of 1985, an amount not less than \$100,000,000 shall be  
3 reserved for financing developments which involve the  
4 rehabilitation of dwelling accommodations, subject to the  
5 occupancy reservation of low or moderate income persons or  
6 families as provided in this Act.

7 (Source: P.A. 87-250; 87-884; 88-93.)

8 Section 905. The Illinois Procurement Code is amended by  
9 changing Section 1-10 as follows:

10 (30 ILCS 500/1-10)

11 Sec. 1-10. Application.

12 (a) This Code applies only to procurements for which  
13 bidders, offerors, potential contractors, or contractors were  
14 first solicited on or after July 1, 1998. This Code shall not  
15 be construed to affect or impair any contract, or any  
16 provision of a contract, entered into based on a solicitation  
17 prior to the implementation date of this Code as described in  
18 Article 99, including, but not limited to, any covenant  
19 entered into with respect to any revenue bonds or similar  
20 instruments. All procurements for which contracts are  
21 solicited between the effective date of Articles 50 and 99 and  
22 July 1, 1998 shall be substantially in accordance with this  
23 Code and its intent.

24 (b) This Code shall apply regardless of the source of the

1 funds with which the contracts are paid, including federal  
2 assistance moneys. This Code shall not apply to:

3 (1) Contracts between the State and its political  
4 subdivisions or other governments, or between State  
5 governmental bodies, except as specifically provided in  
6 this Code.

7 (2) Grants, except for the filing requirements of  
8 Section 20-80.

9 (3) Purchase of care, except as provided in Section  
10 5-30.6 of the Illinois Public Aid Code and this Section.

11 (4) Hiring of an individual as employee and not as an  
12 independent contractor, whether pursuant to an employment  
13 code or policy or by contract directly with that  
14 individual.

15 (5) Collective bargaining contracts.

16 (6) Purchase of real estate, except that notice of  
17 this type of contract with a value of more than \$25,000  
18 must be published in the Procurement Bulletin within 10  
19 calendar days after the deed is recorded in the county of  
20 jurisdiction. The notice shall identify the real estate  
21 purchased, the names of all parties to the contract, the  
22 value of the contract, and the effective date of the  
23 contract.

24 (7) Contracts necessary to prepare for anticipated  
25 litigation, enforcement actions, or investigations,  
26 provided that the chief legal counsel to the Governor

1 shall give his or her prior approval when the procuring  
2 agency is one subject to the jurisdiction of the Governor,  
3 and provided that the chief legal counsel of any other  
4 procuring entity subject to this Code shall give his or  
5 her prior approval when the procuring entity is not one  
6 subject to the jurisdiction of the Governor.

7 (8) (Blank).

8 (9) Procurement expenditures by the Illinois  
9 Conservation Foundation when only private funds are used.

10 (10) (Blank).

11 (11) Public-private agreements entered into according  
12 to the procurement requirements of Section 20 of the  
13 Public-Private Partnerships for Transportation Act and  
14 design-build agreements entered into according to the  
15 procurement requirements of Section 25 of the  
16 Public-Private Partnerships for Transportation Act.

17 (12) (A) Contracts for legal, financial, and other  
18 professional and artistic services entered into ~~on or~~  
19 ~~before December 31, 2018~~ by the Illinois Finance Authority  
20 in which the State of Illinois is not obligated. Such  
21 contracts shall be awarded through a competitive process  
22 authorized by the members ~~Board~~ of the Illinois Finance  
23 Authority and are subject to Sections 5-30, 20-160, 50-13,  
24 50-20, 50-35, and 50-37 of this Code, as well as the final  
25 approval by the members ~~Board~~ of the Illinois Finance  
26 Authority of the terms of the contract.

1           (B) Contracts for legal and financial services entered  
2           into by the Illinois Housing Development Authority in  
3           connection with the issuance of bonds in which the State  
4           of Illinois is not obligated. Such contracts shall be  
5           awarded through a competitive process authorized by the  
6           members of the Illinois Housing Development Authority and  
7           are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35,  
8           and 50-37 of this Code, as well as the final approval by  
9           the members of the Illinois Housing Development Authority  
10           of the terms of the contract.

11           (13) Contracts for services, commodities, and  
12           equipment to support the delivery of timely forensic  
13           science services in consultation with and subject to the  
14           approval of the Chief Procurement Officer as provided in  
15           subsection (d) of Section 5-4-3a of the Unified Code of  
16           Corrections, except for the requirements of Sections  
17           20-60, 20-65, 20-70, and 20-160 and Article 50 of this  
18           Code; however, the Chief Procurement Officer may, in  
19           writing with justification, waive any certification  
20           required under Article 50 of this Code. For any contracts  
21           for services which are currently provided by members of a  
22           collective bargaining agreement, the applicable terms of  
23           the collective bargaining agreement concerning  
24           subcontracting shall be followed.

25           On and after January 1, 2019, this paragraph (13),  
26           except for this sentence, is inoperative.

1           (14) Contracts for participation expenditures required  
2           by a domestic or international trade show or exhibition of  
3           an exhibitor, member, or sponsor.

4           (15) Contracts with a railroad or utility that  
5           requires the State to reimburse the railroad or utilities  
6           for the relocation of utilities for construction or other  
7           public purpose. Contracts included within this paragraph  
8           (15) shall include, but not be limited to, those  
9           associated with: relocations, crossings, installations,  
10          and maintenance. For the purposes of this paragraph (15),  
11          "railroad" means any form of non-highway ground  
12          transportation that runs on rails or electromagnetic  
13          guideways and "utility" means: (1) public utilities as  
14          defined in Section 3-105 of the Public Utilities Act, (2)  
15          telecommunications carriers as defined in Section 13-202  
16          of the Public Utilities Act, (3) electric cooperatives as  
17          defined in Section 3.4 of the Electric Supplier Act, (4)  
18          telephone or telecommunications cooperatives as defined in  
19          Section 13-212 of the Public Utilities Act, (5) rural  
20          water or waste water systems with 10,000 connections or  
21          less, (6) a holder as defined in Section 21-201 of the  
22          Public Utilities Act, and (7) municipalities owning or  
23          operating utility systems consisting of public utilities  
24          as that term is defined in Section 11-117-2 of the  
25          Illinois Municipal Code.

26          (16) Procurement expenditures necessary for the



1 Department of Public Health to provide the delivery of  
2 timely newborn screening services in accordance with the  
3 Newborn Metabolic Screening Act.

4 (17) Procurement expenditures necessary for the  
5 Department of Agriculture, the Department of Financial and  
6 Professional Regulation, the Department of Human Services,  
7 and the Department of Public Health to implement the  
8 Compassionate Use of Medical Cannabis Program and Opioid  
9 Alternative Pilot Program requirements and ensure access  
10 to medical cannabis for patients with debilitating medical  
11 conditions in accordance with the Compassionate Use of  
12 Medical Cannabis Program Act.

13 (18) This Code does not apply to any procurements  
14 necessary for the Department of Agriculture, the  
15 Department of Financial and Professional Regulation, the  
16 Department of Human Services, the Department of Commerce  
17 and Economic Opportunity, and the Department of Public  
18 Health to implement the Cannabis Regulation and Tax Act if  
19 the applicable agency has made a good faith determination  
20 that it is necessary and appropriate for the expenditure  
21 to fall within this exemption and if the process is  
22 conducted in a manner substantially in accordance with the  
23 requirements of Sections 20-160, 25-60, 30-22, 50-5,  
24 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,  
25 50-36, 50-37, 50-38, and 50-50 of this Code; however, for  
26 Section 50-35, compliance applies only to contracts or

1 subcontracts over \$100,000. Notice of each contract  
2 entered into under this paragraph (18) that is related to  
3 the procurement of goods and services identified in  
4 paragraph (1) through (9) of this subsection shall be  
5 published in the Procurement Bulletin within 14 calendar  
6 days after contract execution. The Chief Procurement  
7 Officer shall prescribe the form and content of the  
8 notice. Each agency shall provide the Chief Procurement  
9 Officer, on a monthly basis, in the form and content  
10 prescribed by the Chief Procurement Officer, a report of  
11 contracts that are related to the procurement of goods and  
12 services identified in this subsection. At a minimum, this  
13 report shall include the name of the contractor, a  
14 description of the supply or service provided, the total  
15 amount of the contract, the term of the contract, and the  
16 exception to this Code utilized. A copy of any or all of  
17 these contracts shall be made available to the Chief  
18 Procurement Officer immediately upon request. The Chief  
19 Procurement Officer shall submit a report to the Governor  
20 and General Assembly no later than November 1 of each year  
21 that includes, at a minimum, an annual summary of the  
22 monthly information reported to the Chief Procurement  
23 Officer. This exemption becomes inoperative 5 years after  
24 June 25, 2019 (the effective date of Public Act 101-27)  
25 ~~this amendatory Act of the 101st General Assembly.~~

26 Notwithstanding any other provision of law, for contracts

1 entered into on or after October 1, 2017 under an exemption  
2 provided in any paragraph of this subsection (b), except  
3 paragraph (1), (2), or (5), each State agency shall post to the  
4 appropriate procurement bulletin the name of the contractor, a  
5 description of the supply or service provided, the total  
6 amount of the contract, the term of the contract, and the  
7 exception to the Code utilized. The chief procurement officer  
8 shall submit a report to the Governor and General Assembly no  
9 later than November 1 of each year that shall include, at a  
10 minimum, an annual summary of the monthly information reported  
11 to the chief procurement officer.

12 (c) This Code does not apply to the electric power  
13 procurement process provided for under Section 1-75 of the  
14 Illinois Power Agency Act and Section 16-111.5 of the Public  
15 Utilities Act.

16 (d) Except for Section 20-160 and Article 50 of this Code,  
17 and as expressly required by Section 9.1 of the Illinois  
18 Lottery Law, the provisions of this Code do not apply to the  
19 procurement process provided for under Section 9.1 of the  
20 Illinois Lottery Law.

21 (e) This Code does not apply to the process used by the  
22 Capital Development Board to retain a person or entity to  
23 assist the Capital Development Board with its duties related  
24 to the determination of costs of a clean coal SNG brownfield  
25 facility, as defined by Section 1-10 of the Illinois Power  
26 Agency Act, as required in subsection (h-3) of Section 9-220

1 of the Public Utilities Act, including calculating the range  
2 of capital costs, the range of operating and maintenance  
3 costs, or the sequestration costs or monitoring the  
4 construction of clean coal SNG brownfield facility for the  
5 full duration of construction.

6 (f) (Blank).

7 (g) (Blank).

8 (h) This Code does not apply to the process to procure or  
9 contracts entered into in accordance with Sections 11-5.2 and  
10 11-5.3 of the Illinois Public Aid Code.

11 (i) Each chief procurement officer may access records  
12 necessary to review whether a contract, purchase, or other  
13 expenditure is or is not subject to the provisions of this  
14 Code, unless such records would be subject to attorney-client  
15 privilege.

16 (j) This Code does not apply to the process used by the  
17 Capital Development Board to retain an artist or work or works  
18 of art as required in Section 14 of the Capital Development  
19 Board Act.

20 (k) This Code does not apply to the process to procure  
21 contracts, or contracts entered into, by the State Board of  
22 Elections or the State Electoral Board for hearing officers  
23 appointed pursuant to the Election Code.

24 (l) This Code does not apply to the processes used by the  
25 Illinois Student Assistance Commission to procure supplies and  
26 services paid for from the private funds of the Illinois

1 Prepaid Tuition Fund. As used in this subsection (1), "private  
2 funds" means funds derived from deposits paid into the  
3 Illinois Prepaid Tuition Trust Fund and the earnings thereon.  
4 (Source: P.A. 100-43, eff. 8-9-17; 100-580, eff. 3-12-18;  
5 100-757, eff. 8-10-18; 100-1114, eff. 8-28-18; 101-27, eff.  
6 6-25-19; 101-81, eff. 7-12-19; 101-363, eff. 8-9-19; revised  
7 9-17-19.)

8 Section 915. The Illinois Income Tax Act is amended by  
9 changing Section 214 as follows:

10 (35 ILCS 5/214)

11 Sec. 214. Tax credit for affordable housing donations.

12 (a) Beginning with taxable years ending on or after  
13 December 31, 2001 and until the taxable year ending on  
14 December 31, 2026 ~~December 31, 2021~~, a taxpayer who makes a  
15 donation under Section 7.28 of the Illinois Housing  
16 Development Act is entitled to a credit against the tax  
17 imposed by subsections (a) and (b) of Section 201 in an amount  
18 equal to 50% of the value of the donation. Partners,  
19 shareholders of subchapter S corporations, and owners of  
20 limited liability companies (if the limited liability company  
21 is treated as a partnership for purposes of federal and State  
22 income taxation) are entitled to a credit under this Section  
23 to be determined in accordance with the determination of  
24 income and distributive share of income under Sections 702 and

1 703 and subchapter S of the Internal Revenue Code. Persons or  
2 entities not subject to the tax imposed by subsections (a) and  
3 (b) of Section 201 and who make a donation under Section 7.28  
4 of the Illinois Housing Development Act are entitled to a  
5 credit as described in this subsection and may transfer that  
6 credit as described in subsection (c).

7 (b) If the amount of the credit exceeds the tax liability  
8 for the year, the excess may be carried forward and applied to  
9 the tax liability of the 5 taxable years following the excess  
10 credit year. The tax credit shall be applied to the earliest  
11 year for which there is a tax liability. If there are credits  
12 for more than one year that are available to offset a  
13 liability, the earlier credit shall be applied first.

14 (c) The transfer of the tax credit allowed under this  
15 Section may be made (i) to the purchaser of land that has been  
16 designated solely for affordable housing projects in  
17 accordance with the Illinois Housing Development Act or (ii)  
18 to another donor who has also made a donation in accordance  
19 with Section 7.28 of the Illinois Housing Development Act.

20 (d) A taxpayer claiming the credit provided by this  
21 Section must maintain and record any information that the  
22 Department may require by regulation regarding the project for  
23 which the credit is claimed. When claiming the credit provided  
24 by this Section, the taxpayer must provide information  
25 regarding the taxpayer's donation to the project under the  
26 Illinois Housing Development Act.

1 (Source: P.A. 99-915, eff. 12-20-16.)

2 Section 920. The Property Tax Code is amended by changing  
3 Section 10-260 and by adding Section 15-178 as follows:

4 (35 ILCS 200/10-260)

5 Sec. 10-260. Low-income housing. In determining the fair  
6 cash value of property receiving benefits from the Low-Income  
7 Housing Tax Credit authorized by Section 42 of the Internal  
8 Revenue Code, 26 U.S.C. 42, emphasis shall be given to the  
9 income approach, ~~except in those circumstances where another~~  
10 ~~method is clearly more appropriate.~~

11 In counties with more than 3,000,000 inhabitants, during a  
12 general reassessment year in accordance with Section 9-220 or  
13 at such other time that a property is reassessed, to determine  
14 the fair cash value of any low-income housing project that  
15 qualifies for the Low-Income Housing Tax Credit under Section  
16 42 of the Internal Revenue Code: (i) in assessing any building  
17 with 7 or more units, the assessment officer must consider the  
18 actual or projected net operating income attributable to the  
19 property, capitalized at rates for similarly encumbered  
20 Section 42 properties; and (ii) in assessing any building with  
21 6 units or less, the assessment officer, prior to finalizing  
22 and certifying assessments to the Board of Review, shall  
23 reassess the building considering the actual or projected net  
24 operating income attributable to the property, capitalized at

1 rates for similarly encumbered Section 42 properties. The  
2 capitalization rate for items (i) and (ii) shall be one that  
3 reflects the prevailing cost of capital for other types of  
4 similarly encumbered Section 42 properties in the geographic  
5 market in which the low-income housing project is located.

6 All low-income housing projects that seek to be assessed  
7 in accordance with the provisions of this Section shall  
8 certify to the appropriate local assessment officer that the  
9 owner or owners qualify for the Low-Income Housing Tax Credit  
10 under Section 42 of the Internal Revenue Code for the  
11 property, in a form prescribed by that assessment officer.

12 (Source: P.A. 91-502, eff. 8-13-99; 92-16, eff. 6-28-01.)

13 (35 ILCS 200/15-178 new)

14 Sec. 15-178. Reduction in assessed value for affordable  
15 rental housing construction or rehabilitation.

16 (a) The General Assembly finds that there is a shortage of  
17 high quality affordable rental homes for low-income and  
18 very-low-income households throughout Illinois; that owners  
19 and developers of rental housing face significant challenges  
20 building newly constructed apartments or undertaking  
21 rehabilitation of existing properties that results in rents  
22 that are affordable for low-income and very-low-income  
23 households; and that it will help Cook County and other parts  
24 of Illinois address the extreme shortage of affordable rental  
25 housing by developing a statewide policy to determine the



1 assessed value for newly constructed and rehabilitated  
2 affordable rental housing that both encourages investment and  
3 incentivizes property owners to keep rents affordable.

4 (b) Each chief county assessment officer shall implement  
5 special assessment programs to reduce the assessed value of  
6 all eligible newly constructed residential real property or  
7 qualifying rehabilitation to all eligible existing residential  
8 real property in accordance with subsection (c) for 10 taxable  
9 years after the newly constructed residential real property or  
10 improvements to existing residential real property are put in  
11 service. Any county with less than 3,000,000 inhabitants may  
12 decide not to implement one or both of the special assessment  
13 programs defined in subparagraph (1) of subsection (c) of this  
14 Section and subparagraph (2) of subsection (c) of this Section  
15 upon passage of an ordinance by a majority vote of the county  
16 board. Subsequent to a vote to opt out of this special  
17 assessment program, any county with less than 3,000,000  
18 inhabitants may decide to implement one or both of the special  
19 assessment programs defined in subparagraph (1) of subsection  
20 (c) of this Section and subparagraph (2) of subsection (c) of  
21 this Section upon passage of an ordinance by a majority vote of  
22 the county board. Property is eligible for the special  
23 assessment program if and only if all of the following factors  
24 have been met:

25 (1) at the conclusion of the new construction or  
26 qualifying rehabilitation, the property consists of a

1 newly constructed multifamily building containing 7 or  
2 more rental dwelling units or an existing multifamily  
3 building that has undergone qualifying rehabilitation  
4 resulting in 7 or more rental dwelling units; and

5 (2) the property meets the application requirements  
6 defined in subsection (f).

7 (c) For those counties that are required to implement the  
8 special assessment program and do not opt out of such special  
9 assessment program, the chief county assessment officer for  
10 that county shall require that residential real property is  
11 eligible for the special assessment program if and only if one  
12 of the additional factors have been met:

13 (1) except as defined in subparagraphs (E), (F), and  
14 (G) of paragraph (1) of subsection (f) of this Section,  
15 prior to the newly constructed residential real property  
16 or improvements to existing residential real property  
17 being put in service, the owner of the residential real  
18 property commits that, for a period of 10 years, at least  
19 15% of the multifamily building's units will have rents as  
20 defined in this Section that are at or below maximum rents  
21 and are occupied by households with household incomes at  
22 or below maximum income limits; or

23 (2) except as defined in subparagraphs (E), (F), and  
24 (G) of paragraph (1) of subsection (f) of this Section,  
25 prior to the newly constructed residential real property  
26 or improvements to existing residential real property

1 located in a low affordability community being put in  
2 service, the owner of the residential real property  
3 commits that, for a period of 30 years after the newly  
4 constructed residential real property or improvements to  
5 existing residential real property are put in service, at  
6 least 20% of the multifamily building's units will have  
7 rents as defined in this Section that are at or below  
8 maximum rents and are occupied by households with  
9 household incomes at or below maximum income limits.

10 If a reduction in assessed value is granted under one  
11 special assessment program provided for in this Section, then  
12 that same residential real property is not eligible for an  
13 additional special assessment program under this Section at  
14 the same time.

15 (d) The amount of the reduction in assessed value for  
16 residential real property meeting the conditions set forth in  
17 subparagraph (1) of subsection (c) shall be calculated as  
18 follows:

19 (1) if the owner of the residential real property  
20 commits for a period of at least 10 years that at least 15%  
21 but fewer than 35% of the multifamily building's units  
22 have rents at or below maximum rents and are occupied by  
23 households with household incomes at or below maximum  
24 income limits, the assessed value of the property used to  
25 calculate the tax bill shall be reduced by an amount equal  
26 to 25% of the assessed value of the property as determined

1 by the assessor for the property in the current taxable  
2 year for the newly constructed residential real property  
3 or based on the improvements to an existing residential  
4 real property; and

5 (2) if the owner of the residential real property  
6 commits for a period of at least 10 years that at least 35%  
7 of the multifamily building's units have rents at or below  
8 maximum rents and are occupied by households with  
9 household incomes at or below maximum income limits, the  
10 assessed value of the property used to calculate the tax  
11 bill shall be reduced by an amount equal to 35% of the  
12 assessed value of the property as determined by the  
13 assessor for the property in the current assessment year  
14 for the newly constructed residential real property or  
15 based on the improvements to an existing residential real  
16 property.

17 (e) The amount of the reduction for residential real  
18 property meeting the conditions set forth in subparagraph (2)  
19 of subsection (c) shall be calculated as follows:

20 (1) for the first, second, and third taxable year  
21 after the residential real property is placed in service,  
22 the residential real property is entitled to a reduction  
23 in its assessed value in an amount equal to the difference  
24 between the assessed value in the year for which the  
25 incentive is sought and the assessed value for the  
26 residential real property in the base year;

1           (2) for the fourth, fifth, and sixth taxable year  
2           after the residential real property is placed in service,  
3           the property is entitled to a reduction in its assessed  
4           value in an amount equal to 80% of the difference between  
5           the assessed value in the year for which the incentive is  
6           sought and the assessed value for the residential real  
7           property in the base year;

8           (3) for the seventh, eighth, and ninth taxable year  
9           after the property is placed in service, the residential  
10           real property is entitled to a reduction in its assessed  
11           value in an amount equal to 60% of the difference between  
12           the assessed value in the year for which the incentive is  
13           sought and the assessed value for the residential real  
14           property in the base year;

15           (4) for the tenth, eleventh, and twelfth taxable year  
16           after the residential real property is placed in service,  
17           the residential real property is entitled to a reduction  
18           in its assessed value in an amount equal to 40% of the  
19           difference between the assessed value in the year for  
20           which the incentive is sought and the assessed value for  
21           the residential real property in the base year; and

22           (5) for the thirteenth through the thirtieth taxable  
23           year after the residential real property is placed in  
24           service, the residential real property is entitled to a  
25           reduction in its assessed value in an amount equal to 20%  
26           of the difference between the assessed value in the year

1 for which the incentive is sought and the assessed value  
2 for the residential real property in the base year.

3 (f) Application requirements.

4 (1) In order to receive the reduced valuation under  
5 this Section, the owner must submit an application  
6 containing the following information to the chief county  
7 assessment officer for review in the form and by the date  
8 required by the chief county assessment officer:

9 (A) the owner's name;

10 (B) the postal address and permanent index number  
11 or numbers of the parcel or parcels for which the owner  
12 is applying to receive reduced valuation under this  
13 Section;

14 (C) a deed or other instrument conveying the  
15 parcel or parcels to the current owner;

16 (D) written evidence that the new construction or  
17 qualifying rehabilitation has been completed with  
18 respect to the residential real property, including,  
19 but not limited to, copies of building permits, a  
20 notarized contractor's affidavit, and photographs of  
21 the interior and exterior of the building after new  
22 construction or rehabilitation is completed;

23 (E) written evidence that the residential real  
24 property meets local building codes, or if there are  
25 no local building codes, Housing Quality Standards, as  
26 determined by the United States Department of Housing

1           and Urban Development;

2           (F) a list identifying the affordable units in  
3           residential real property and a written statement that  
4           the affordable units are comparable to the market rate  
5           units in terms of unit type, number of bedrooms per  
6           unit, quality of exterior appearance, energy  
7           efficiency, and overall quality of construction;

8           (G) a written schedule certifying the rents in  
9           each affordable unit and a written statement that  
10           these rents do not exceed the maximum rents allowable  
11           for the area in which the residential real property is  
12           located;

13           (H) documentation from the administering agency  
14           verifying the owner's participation in a qualifying  
15           income-based rental subsidy program as defined in  
16           subsection (e) of this Section if units receiving  
17           rental subsidies are to be counted among the  
18           affordable units in order to meet the thresholds  
19           defined in this Section;

20           (I) a written statement identifying the household  
21           income for every household occupying an affordable  
22           unit and certifying that the household income does not  
23           exceed the maximum income limits allowable for the  
24           area in which the residential real property is  
25           located;

26           (J) a written statement that the owner has

1 verified and retained documentation of household  
2 income for every household occupying an affordable  
3 unit; and

4 (K) any additional information consistent with  
5 this Section as reasonably required by the chief  
6 county assessment officer, including, but not limited  
7 to, any information necessary to ensure compliance  
8 with applicable local ordinances and to ensure the  
9 owner is complying with the provisions of this  
10 Section.

11 (1.1) In order for a development to receive the  
12 reduced valuation under subsection (e), the owner must  
13 provide evidence to the county assessor's office of a  
14 fully executed project labor agreement entered into with  
15 the applicable local building trades council, prior to  
16 commencement of any and all construction, building,  
17 renovation, demolition, or any material change to the  
18 structure or land.

19 (2) The application requirements contained in  
20 paragraph (1) of subsection (f) are continuing  
21 requirements for the duration of the reduction in assessed  
22 value received and may be annually or periodically  
23 verified by the chief county assessment officer for the  
24 county whereby the benefit is being issued.

25 (3) In lieu of submitting an application containing  
26 the information prescribed in paragraph (1) of subsection



1       (f), the chief county assessment officer may allow for  
2       submission of a substantially similar certification  
3       granted by the Illinois Housing Development Authority or a  
4       comparable local authority provided that the chief county  
5       assessment officer independently verifies the veracity of  
6       the certification with the Illinois Housing Development  
7       Authority or comparable local authority.

8       (4) The chief county assessment officer shall notify  
9       the owner as to whether or not the property meets the  
10       requirements of this Section. If the property does not  
11       meet the requirements of this Section, the chief county  
12       assessment officer shall provide written notice of any  
13       deficiencies to the owner, who shall then have 30 days  
14       from the date of notification to provide supplemental  
15       information showing compliance with this Section. The  
16       chief county assessment officer shall, in its discretion,  
17       grant additional time to cure any deficiency. If the owner  
18       does not exercise this right to cure the deficiency, or if  
19       the information submitted, in the sole judgment of the  
20       chief county assessment officer, is insufficient to meet  
21       the requirements of this Section, the chief county  
22       assessment officer shall provide a written explanation of  
23       the reasons for denial.

24       (5) The chief county assessment officer may charge a  
25       reasonable application fee to offset the administrative  
26       expenses associated with the program.

1           (6) The reduced valuation conferred by this Section is  
2           limited as follows:

3           (A) The owner is eligible to apply for the reduced  
4           valuation conferred by this Section beginning in the  
5           first assessment year after the effective date of this  
6           amendatory Act of the 102nd General Assembly through  
7           December 31, 2027. If approved, the reduction will be  
8           effective for the current assessment year, which will  
9           be reflected in the tax bill issued in the following  
10           calendar year. Owners that are approved for the  
11           reduced valuation under paragraph (1) of subsection  
12           (c) of this Section before December 31, 2027 shall, at  
13           minimum, be eligible for annual renewal of the reduced  
14           valuation during an initial 10-year period if annual  
15           certification requirements are met for each of the 10  
16           years, as described in subparagraph (B) of paragraph  
17           (4) of subsection (d) of this Section.

18           (B) Property receiving a reduction outlined in  
19           paragraph (1) of subsection (c) of this Section shall  
20           continue to be eligible for an initial period of up to  
21           10 years if annual certification requirements are met  
22           for each of the 10 years, but shall be extended for up  
23           to 2 additional 10-year periods with annual renewals  
24           if the owner continues to meet the requirements of  
25           this Section, including annual certifications, and  
26           excluding the requirements regarding new construction

1           or qualifying rehabilitation defined in subparagraph  
2           (D) of paragraph (1) of this subsection.

3           (C) The annual certification materials in the year  
4           prior to final year of eligibility for the reduction  
5           in assessed value must include a dated copy of the  
6           written notice provided to tenants informing them of  
7           the date of the termination if the owner is not seeking  
8           a renewal.

9           (D) If the property is sold or transferred, the  
10          purchaser or transferee must comply with all  
11          requirements of this Section, excluding the  
12          requirements regarding new construction or qualifying  
13          rehabilitation defined in subparagraph (D) of  
14          paragraph (1) of this subsection, in order to continue  
15          receiving the reduction in assessed value. Purchasers  
16          and transferees who comply with all requirements of  
17          this Section excluding the requirements regarding new  
18          construction or qualifying rehabilitation defined in  
19          subparagraph (D) of paragraph (1) of this subsection  
20          are eligible to apply for renewal on the schedule set  
21          by the initial application.

22          (E) The owner may apply for the reduced valuation  
23          if the residential real property meets all  
24          requirements of this Section and the newly constructed  
25          residential real property or improvements to existing  
26          residential real property were put in service on or

1           after January 1, 2015. However, the initial 10-year  
2           eligibility period or 30-year eligibility period,  
3           depending on the applicable program, shall be reduced  
4           by the number of years between the placed in service  
5           date and the date the owner first receives this  
6           reduced valuation.

7           (F) The owner may apply for the reduced valuation  
8           within 2 years after the newly constructed residential  
9           real property or improvements to existing residential  
10           real property are put in service. However, the initial  
11           10-year eligibility period or 30-year eligibility  
12           period, depending on the applicable program, shall be  
13           reduced for the number of years between the placed in  
14           service date and the date the owner first receives  
15           this reduced valuation.

16           (G) Owners of a multifamily building receiving a  
17           reduced valuation through the Cook County Class 9  
18           program during the year in which this amendatory Act  
19           of the 102nd General Assembly takes effect shall be  
20           deemed automatically eligible for the reduced  
21           valuation defined in paragraph (1) of subsection (c)  
22           of this Section in terms of meeting the criteria for  
23           new construction or substantial rehabilitation for a  
24           specific multifamily building regardless of when the  
25           newly constructed residential real property or  
26           improvements to existing residential real property

1           were put in service. If a Cook County Class 9 owner had  
2           Class 9 status revoked on or after January 1, 2017 but  
3           can provide documents sufficient to prove that the  
4           revocation was in error or any deficiencies leading to  
5           the revocation have been cured, the chief county  
6           assessment officer may deem the owner to be eligible.  
7           However, owners may not receive both the reduced  
8           valuation under this Section and the reduced valuation  
9           under the Cook County Class 9 program in any single  
10          assessment year. In addition, the number of years  
11          during which an owner has participated in the Class 9  
12          program shall count against the 3 10-year periods of  
13          eligibility for the reduced valuation as defined in  
14          subparagraph (1) of subsection (c) of this Section.

15           (H) At the completion of the assessment reduction  
16          period described in this Section: the entire parcel  
17          will be assessed as otherwise provided by law.

18          (e) As used in this Section:

19          "Affordable units" means units that have rents that do not  
20          exceed the maximum rents as defined in this Section.

21          "Assessed value for the residential real property in the  
22          base year" means the value in effect at the end of the taxable  
23          year prior to the latter of: (1) the date of initial  
24          application; or (2) the date on which 20% of the total number  
25          of units in the property are occupied by eligible tenants  
26          paying eligible rent under this Section.

1       "Household income" includes the annual income for all the  
2 people who occupy a housing unit that is anticipated to be  
3 received from a source outside of the family during the  
4 12-month period following admission or the annual  
5 recertification, including related family members and all the  
6 unrelated people who share the housing unit. Household income  
7 includes the total of the following income sources: wages,  
8 salaries and tips before any payroll deductions; net business  
9 income; interest and dividends; payments in lieu of earnings,  
10 such as unemployment and disability compensation, worker's  
11 compensation and severance pay; Social Security income,  
12 including lump sum payments; payments from insurance policies,  
13 annuities, pensions, disability benefits and other types of  
14 periodic payments, alimony, child support, and other regular  
15 monetary contributions; and public assistance, except for  
16 assistance from the Supplemental Nutrition Assistance Program  
17 (SNAP). "Household income" does not include: earnings of  
18 children under age 18; temporary income such as cash gifts;  
19 reimbursement for medical expenses; lump sums from  
20 inheritance, insurance payments, settlements for personal or  
21 property losses; student financial assistance paid directly to  
22 the student or to an educational institution; foster child  
23 care payments; receipts from government-funded training  
24 programs; assistance from the Supplemental Nutrition  
25 Assistance Program (SNAP).

26       "Low affordability community" means (1) a municipality or

1 jurisdiction with less than 1,000,000 inhabitants in which 40%  
2 or less of its total year-round housing units are affordable,  
3 as determined by the Illinois Housing Development Authority  
4 during the exemption determination process under the  
5 Affordable Housing Planning and Appeal Act; (2) "D" zoning  
6 districts as now or hereafter designated in the Chicago Zoning  
7 Ordinance; or (3) a jurisdiction located in a municipality  
8 with 1,000,000 or more inhabitants that has been designated as  
9 a low affordability community by passage of a local ordinance  
10 by that municipality, specifying the census tract or property  
11 by permanent index number or numbers.

12 "Maximum income limits" means the maximum regular income  
13 limits for 60% of area median income for the geographic area in  
14 which the multifamily building is located for multifamily  
15 programs as determined by the United States Department of  
16 Housing and Urban Development and published annually by the  
17 Illinois Housing Development Authority.

18 "Maximum rent" means the maximum regular rent for 60% of  
19 the area median income for the geographic area in which the  
20 multifamily building is located for multifamily programs as  
21 determined by the United States Department of Housing and  
22 Urban Development and published annually by the Illinois  
23 Housing Development Authority. To be eligible for the reduced  
24 valuation defined in this Section, maximum rents are to be  
25 consistent with the Illinois Housing Development Authority's  
26 rules; or if the owner is leasing an affordable unit to a

1 household with an income at or below the maximum income limit  
2 who is participating in qualifying income-based rental subsidy  
3 program, "maximum rent" means the maximum rents allowable  
4 under the guidelines of the qualifying income-based rental  
5 subsidy program.

6 "Qualifying income-based rental subsidy program" means a  
7 Housing Choice Voucher issued by a housing authority under  
8 Section 8 of the United States Housing Act of 1937, a tenant  
9 voucher converted to a project-based voucher by a housing  
10 authority or any other program administered or funded by a  
11 housing authority, the Illinois Housing Development Authority,  
12 another State agency, a federal agency, or a unit of local  
13 government where participation is limited to households with  
14 incomes at or below the maximum income limits as defined in  
15 this Section and the tenants' portion of the rent payment is  
16 based on a percentage of their income or a flat amount that  
17 does not exceed the maximum rent as defined in this Section.

18 "Qualifying rehabilitation" means, at a minimum,  
19 compliance with local building codes and the replacement or  
20 renovation of at least 2 primary building systems to be  
21 approved for the reduced valuation under paragraph (1) of  
22 subsection (d) of this Section and at least 5 primary building  
23 systems to be approved for the reduced valuation under  
24 subsection (e) of this Section. Although the cost of each  
25 primary building system may vary, to be approved for the  
26 reduced valuation under paragraph (1) of subsection (d) of



1 this Section, the combined expenditure for making the building  
2 compliant with local codes and replacing primary building  
3 systems must be at least \$8 per square foot for work completed  
4 between January 1 of the year in which this amendatory Act of  
5 the 102nd General Assembly takes effect and December 31 of the  
6 year in which this amendatory Act of the 102nd General  
7 Assembly takes effect and, in subsequent years, \$8 adjusted by  
8 the Consumer Price Index for All Urban Consumers, as published  
9 annually by the U.S. Department of Labor. To be approved for  
10 the reduced valuation under paragraph (2) of subsection (d) of  
11 this Section, the combined expenditure for making the building  
12 compliant with local codes and replacing primary building  
13 systems must be at least \$12.50 per square foot for work  
14 completed between January 1 of the year in which this  
15 amendatory Act of the 102nd General Assembly takes effect and  
16 December 31 of the year in which this amendatory Act of the  
17 102nd General Assembly takes effect, and in subsequent years,  
18 \$12.50 adjusted by the Consumer Price Index for All Urban  
19 Consumers, as published annually by the U.S. Department of  
20 Labor. To be approved for the reduced valuation under  
21 subsection (e) of this Section, the combined expenditure for  
22 making the building compliant with local codes and replacing  
23 primary building systems must be at least \$60 per square foot  
24 for work completed between January 1 of the year that this  
25 amendatory Act of the 102nd General Assembly becomes effective  
26 and December 31 of the year that this amendatory Act of the

1 102nd General Assembly becomes effective and, in subsequent  
2 years, \$60 adjusted by the Consumer Price Index for All Urban  
3 Consumers, as published annually by the U.S. Department of  
4 Labor. "Primary building systems", together with their related  
5 rehabilitations, specifically approved for this program are:

6 (1) Electrical. All electrical work must comply with  
7 applicable codes; it may consist of a combination of any  
8 of the following alternatives:

9 (A) installing individual equipment and appliance  
10 branch circuits as required by code (the minimum being  
11 a kitchen appliance branch circuit);

12 (B) installing a new emergency service, including  
13 emergency lighting with all associated conduits and  
14 wiring;

15 (C) rewiring all existing feeder conduits ("home  
16 runs") from the main switchgear to apartment area  
17 distribution panels;

18 (D) installing new in-wall conduits for  
19 receptacles, switches, appliances, equipment, and  
20 fixtures;

21 (E) replacing power wiring for receptacles,  
22 switches, appliances, equipment, and fixtures;

23 (F) installing new light fixtures throughout the  
24 building including closets and central areas;

25 (G) replacing, adding, or doing work as necessary  
26 to bring all receptacles, switches, and other

1 electrical devices into code compliance;

2 (H) installing a new main service, including  
3 conduit, cables into the building, and main disconnect  
4 switch; and

5 (I) installing new distribution panels, including  
6 all panel wiring, terminals, circuit breakers, and all  
7 other panel devices.

8 (2) Heating. All heating work must comply with  
9 applicable codes; it may consist of a combination of any  
10 of the following alternatives:

11 (A) installing a new system to replace one of the  
12 following heat distribution systems:

13 (i) piping and heat radiating units, including  
14 new main line venting and radiator venting; or

15 (ii) duct work, diffusers, and cold air  
16 returns; or

17 (iii) any other type of existing heat  
18 distribution and radiation/diffusion components;

19 or

20 (B) installing a new system to replace one of the  
21 following heat generating units:

22 (i) hot water/steam boiler;

23 (ii) gas furnace; or

24 (iii) any other type of existing heat  
25 generating unit.

26 (3) Plumbing. All plumbing work must comply with

1 applicable codes. Replace all or a part of the in-wall  
2 supply and waste plumbing; however, main supply risers,  
3 waste stacks and vents, and code-conforming waste lines  
4 need not be replaced.

5 (4) Roofing. All roofing work must comply with  
6 applicable codes; it may consist of either of the  
7 following alternatives, separately or in combination:

8 (A) replacing all rotted roof decks and  
9 insulation; or

10 (B) replacing or repairing leaking roof membranes  
11 (10% is the suggested minimum replacement of  
12 membrane); restoration of the entire roof is an  
13 acceptable substitute for membrane replacement.

14 (5) Exterior doors and windows. Replace the exterior  
15 doors and windows. Renovation of ornate entry doors is an  
16 acceptable substitute for replacement.

17 (6) Floors, walls, and ceilings. Finishes must be  
18 replaced or covered over with new material. Acceptable  
19 replacement or covering materials are as follows:

20 (A) floors must have new carpeting, vinyl tile,  
21 ceramic, refurbished wood finish, or a similar  
22 substitute;

23 (B) walls must have new drywall, including joint  
24 taping and painting; or

25 (C) new ceilings must be either drywall, suspended  
26 type, or a similar material.

1           (7) Exterior walls.

2           (A) replace loose or crumbling mortar and masonry  
3 with new material;

4           (B) replace or paint wall siding and trim as  
5 needed;

6           (C) bring porches and balconies to a sound  
7 condition; or

8           (D) any combination of (A), (B), and (C).

9           (8) Elevators. Where applicable, at least 4 of the  
10 following 7 alternatives must be accomplished:

11           (A) replace or rebuild the machine room controls  
12 and refurbish the elevator machine (or equivalent  
13 mechanisms in the case of hydraulic elevators);

14           (B) replace hoistway electro-mechanical items  
15 including: ropes, switches, limits, buffers, levelers,  
16 and deflector sheaves (or equivalent mechanisms in the  
17 case of hydraulic elevators);

18           (C) replace hoistway wiring;

19           (D) replace door operators and linkage;

20           (E) replace door panels at each opening;

21           (F) replace hall stations, car stations, and  
22 signal fixtures; or

23           (G) rebuild the car shell and refinish the  
24 interior.

25           (9) Health and safety.

26           (A) Install or replace fire suppression systems;

- 1           (B) install or replace security systems; or
- 2           (C) environmental remediation of lead-based paint,  
3           asbestos, leaking underground storage tanks, or radon.
- 4           (10) Energy conservation improvements undertaken to  
5           limit the amount of solar energy absorbed by a building's  
6           roof or to reduce energy use for the property, including,  
7           but not limited to, any of the following activities:
- 8           (A) installing or replacing reflective roof  
9           coatings (flat roofs);
- 10           (B) installing or replacing R-49 roof insulation;
- 11           (C) installing or replacing R-19 perimeter wall  
12           insulation;
- 13           (D) installing or replacing insulated entry doors;
- 14           (E) installing or replacing Low E, insulated  
15           windows;
- 16           (F) installing or replacing WaterSense labeled  
17           plumbing fixtures;
- 18           (G) installing or replacing 90% or better sealed  
19           combustion heating systems;
- 20           (H) installing Energy Star hot water heaters;
- 21           (I) installing or replacing mechanical ventilation  
22           to exterior for kitchens and baths;
- 23           (J) installing or replacing Energy Star  
24           appliances;
- 25           (K) installing or replacing Energy Star certified  
26           lighting in common areas; or

1                   (L) installing or replacing grading and  
2                   landscaping to promote on-site water retention if the  
3                   retained water is used to replace water that is  
4                   provided from a municipal source.

5                   (11) Accessibility improvements. All accessibility  
6                   improvements must comply with applicable codes. An owner  
7                   may make accessibility improvements to residential real  
8                   property to increase access for people with disabilities.  
9                   As used in this paragraph (11), "disability" has the  
10                   meaning given to that term in the Illinois Human Rights  
11                   Act. As used in this paragraph (11), "accessibility  
12                   improvements" means a home modification listed under the  
13                   Home Services Program administered by the Department of  
14                   Human Services (Part 686 of Title 89 of the Illinois  
15                   Administrative Code) including, but not limited to:  
16                   installation of ramps, grab bars, or wheelchair lifts;  
17                   widening doorways or hallways; re-configuring rooms and  
18                   closets; and any other changes to enhance the independence  
19                   of people with disabilities.

20                   (12) Any applicant who has purchased the property in  
21                   an arm's length transaction not more than 90 days before  
22                   applying for this reduced valuation may use the cost of  
23                   rehabilitation or repairs required by documented code  
24                   violations, up to a maximum of \$2 per square foot, to meet  
25                   the qualifying rehabilitation requirements.

1           Section 925. The Affordable Housing Planning and Appeal  
2 Act is amended by changing Sections 15, 25, and 50 and by  
3 adding Section 70 as follows:

4           (310 ILCS 67/15)

5           Sec. 15. Definitions. As used in this Act:

6           "Affordable housing" means housing that has a value or  
7 cost or rental amount that is within the means of a household  
8 that may occupy moderate-income or low-income housing. In the  
9 case of owner-occupied dwelling units, housing that is  
10 affordable means housing in which mortgage, amortization,  
11 taxes, insurance, and condominium or association fees, if any,  
12 constitute no more than 30% of the gross annual household  
13 income for a household of the size that may occupy the unit. In  
14 the case of dwelling units for rent, housing that is  
15 affordable means housing for which the rent, any required  
16 parking, maintenance, landlord-imposed fees, and utilities  
17 constitute no more than 30% of the gross annual household  
18 income for a household of the size that may occupy the unit.

19           "Affordable housing developer" means a nonprofit entity,  
20 limited equity cooperative or public agency, or private  
21 individual, firm, corporation, or other entity seeking to  
22 build an affordable housing development.

23           "Affordable housing development" means (i) any housing  
24 that is subsidized by the federal or State government or (ii)  
25 any housing in which at least 20% of the dwelling units are



1 subject to covenants or restrictions that require that the  
2 dwelling units be sold or rented at prices that preserve them  
3 as affordable housing for a period of at least 15 years, in the  
4 case of owner-occupied housing, and at least 30 years, in the  
5 case of rental housing.

6 "Approving authority" means the governing body of the  
7 county or municipality.

8 "Area median household income" means the median household  
9 income adjusted for family size for applicable income limit  
10 areas as determined annually by the federal Department of  
11 Housing and Urban Development under Section 8 of the United  
12 States Housing Act of 1937.

13 "Community land trust" means a private, not-for-profit  
14 corporation organized exclusively for charitable, cultural,  
15 and other purposes and created to acquire and own land for the  
16 benefit of the local government, including the creation and  
17 preservation of affordable housing.

18 "Development" means any building, construction,  
19 renovation, or excavation or any material change in any  
20 structure or land, or change in the use of such structure or  
21 land, that results in a net increase in the number of dwelling  
22 units in a structure or on a parcel of land by more than one  
23 dwelling unit.

24 "Exempt local government" means any local government in  
25 which at least 10% of its total year-round housing units are  
26 affordable, as determined by the Illinois Housing Development

1 Authority pursuant to Section 20 of this Act; or any  
2 municipality under 1,000 population.

3 "Household" means the person or persons occupying a  
4 dwelling unit.

5 "Housing trust fund" means a separate fund, either within  
6 a local government or between local governments pursuant to  
7 intergovernmental agreement, established solely for the  
8 purposes authorized in subsection (d) of Section 25,  
9 including, without limitation, the holding and disbursing of  
10 financial resources to address the affordable housing needs of  
11 individuals or households that may occupy low-income or  
12 moderate-income housing.

13 "Local government" means a county or municipality.

14 "Low-income housing" means housing that is affordable,  
15 according to the federal Department of Housing and Urban  
16 Development, for either home ownership or rental, and that is  
17 occupied, reserved, or marketed for occupancy by households  
18 with a gross household income that does not exceed 50% of the  
19 area median household income.

20 "Moderate-income housing" means housing that is  
21 affordable, according to the federal Department of Housing and  
22 Urban Development, for either home ownership or rental, and  
23 that is occupied, reserved, or marketed for occupancy by  
24 households with a gross household income that is greater than  
25 50% but does not exceed 80% of the area median household  
26 income.

1 "Non-appealable local government requirements" means all  
2 essential requirements that protect the public health and  
3 safety, including any local building, electrical, fire, or  
4 plumbing code requirements or those requirements that are  
5 critical to the protection or preservation of the environment.  
6 (Source: P.A. 98-287, eff. 8-9-13.)

7 (310 ILCS 67/25)

8 Sec. 25. Affordable housing plan.

9 (a) Prior to April 1, 2005, all non-exempt local  
10 governments must approve an affordable housing plan. Any local  
11 government that is determined by the Illinois Housing  
12 Development Authority under Section 20 to be non-exempt for  
13 the first time based on the recalculation of U.S. Census  
14 Bureau data after 2010 shall have 18 months from the date of  
15 notification of its non-exempt status to approve an affordable  
16 housing plan under this Act. On and after the effective date of  
17 this amendatory Act of the 102nd General Assembly, an  
18 affordable housing plan, or any revision thereof, shall not be  
19 adopted by a non-exempt local government until notice and  
20 opportunity for public hearing have first been afforded.

21 (b) For the purposes of this Act, the affordable housing  
22 plan shall consist of at least the following:

23 (i) a statement of the total number of affordable  
24 housing units that are necessary to exempt the local  
25 government from the operation of this Act as defined in

1 Section 15 and Section 20;

2 (ii) an identification of lands within the  
3 jurisdiction that are most appropriate for the  
4 construction of affordable housing and of existing  
5 structures most appropriate for conversion to, or  
6 rehabilitation for, affordable housing, including a  
7 consideration of lands and structures of developers who  
8 have expressed a commitment to provide affordable housing  
9 and lands and structures that are publicly or  
10 semi-publicly owned;

11 (iii) incentives that local governments may provide  
12 for the purpose of attracting affordable housing to their  
13 jurisdiction; and

14 (iv) a goal of a minimum of 15% of all new development  
15 or redevelopment within the local government that would be  
16 defined as affordable housing in this Act; or a minimum of  
17 a 3 percentage point increase in the overall percentage of  
18 affordable housing within its jurisdiction, as described  
19 in subsection (b) of Section 20 of this Act; or a minimum  
20 of a total of 10% affordable housing within its  
21 jurisdiction as described in subsection (b) of Section 20  
22 of this Act. These goals may be met, in whole or in part,  
23 through the creation of affordable housing units under  
24 intergovernmental agreements as described in subsection  
25 (e) of this Section.

26 (c) Within 60 days after the adoption of an affordable

1 housing plan or revisions to its affordable housing plan, the  
2 local government must submit a copy of that plan to the  
3 Illinois Housing Development Authority.

4 (d) In order to promote the goals of this Act and to  
5 maximize the creation, establishment, or preservation of  
6 affordable housing throughout the State of Illinois, a local  
7 government, whether exempt or non-exempt under this Act, may  
8 adopt the following measures to address the need for  
9 affordable housing:

10 (1) Local governments may individually or jointly  
11 create or participate in a housing trust fund or otherwise  
12 provide funding or support for the purpose of supporting  
13 affordable housing, including, without limitation, to  
14 support the following affordable housing activities:

15 (A) Housing production, including, without  
16 limitation, new construction, rehabilitation, and  
17 adaptive re-use.

18 (B) Acquisition, including, without limitation,  
19 land, single-family homes, multi-unit buildings, and  
20 other existing structures that may be used in whole or  
21 in part for residential use.

22 (C) Rental payment assistance.

23 (D) Home-ownership purchase assistance.

24 (E) Preservation of existing affordable housing.

25 (F) Weatherization.

26 (G) Emergency repairs.

1           (H) Housing related support services, including  
2           homeownership education and financial counseling.

3           (I) Grants or loans to not-for-profit  
4           organizations engaged in addressing the affordable  
5           housing needs of low-income and moderate-income  
6           households.

7           Local governments may authorize housing trust funds to  
8           accept and utilize funds, property, and other resources  
9           from all proper and lawful public and private sources so  
10          long as those funds are used solely for addressing the  
11          affordable housing needs of individuals or households that  
12          may occupy low-income or moderate-income housing.

13          (2) A local government may create a community land  
14          trust, which may: acquire developed or undeveloped  
15          interests in real property and hold them for affordable  
16          housing purposes; convey such interests under long-term  
17          leases, including ground leases; convey such interests for  
18          affordable housing purposes; and retain an option to  
19          reacquire any such real property interests at a price  
20          determined by a formula ensuring that such interests may  
21          be utilized for affordable housing purposes.

22          (3) A local government may use its zoning powers to  
23          require the creation and preservation of affordable  
24          housing as authorized under Section 5-12001 of the  
25          Counties Code and Section 11-13-1 of the Illinois  
26          Municipal Code.

1           (4) A local government may accept donations of money  
2           or land for the purpose of addressing the affordable  
3           housing needs of individuals or households that may occupy  
4           low-income or moderate-income housing. These donations may  
5           include, without limitation, donations of money or land  
6           from persons, as long as the donations are demonstrably  
7           used to preserve, create, or subsidize low-income housing  
8           or moderate-income housing within the jurisdiction in lieu  
9           of building affordable housing.

10          (e) In order to encourage regional cooperation and the  
11          maximum creation of affordable housing in areas lacking such  
12          housing in the State of Illinois, any non-exempt local  
13          government may enter into intergovernmental agreements under  
14          subsection (e) of Section 25 with local governments within 10  
15          miles of its corporate boundaries in order to create  
16          affordable housing units to meet the goals of this Act. A  
17          non-exempt local government may not enter into an  
18          intergovernmental agreement, however, with any local  
19          government that contains more than 25% affordable housing as  
20          determined under Section 20 of this Act. All intergovernmental  
21          agreements entered into to create affordable housing units to  
22          meet the goals of this Act must also specify the basis for  
23          determining how many of the affordable housing units created  
24          will be credited to each local government participating in the  
25          agreement for purposes of complying with this Act. All  
26          intergovernmental agreements entered into to create affordable

1 housing units to meet the goals of this Act must also specify  
2 the anticipated number of newly created affordable housing  
3 units that are to be credited to each local government  
4 participating in the agreement for purposes of complying with  
5 this Act. In specifying how many affordable housing units will  
6 be credited to each local government, the same affordable  
7 housing unit may not be counted by more than one local  
8 government.

9 (f) To enforce compliance with the provisions of this  
10 Section, and to encourage local governments to submit their  
11 affordable housing plans to the Illinois Housing Development  
12 Authority in a timely manner, the Illinois Housing Development  
13 Authority shall notify any local government and may notify the  
14 Office of the Attorney General that the local government is in  
15 violation of State law if the Illinois Housing Development  
16 Authority finds that the affordable housing plan submitted is  
17 not in substantial compliance with this Section or that the  
18 local government failed to submit an affordable housing plan.  
19 The Attorney General may enforce this provision of the Act by  
20 an action for mandamus or injunction or by means of other  
21 appropriate relief.

22 (Source: P.A. 98-287, eff. 8-9-13.)

23 (310 ILCS 67/50)

24 Sec. 50. Housing Appeals Board.

25 (a) Prior to January 1, 2008, a Housing Appeals Board



1 shall be created consisting of 7 members appointed by the  
2 Governor as follows:

3 (1) a retired circuit judge or retired appellate  
4 judge, who shall act as chairperson;

5 (2) a zoning board of appeals member;

6 (3) a planning board member;

7 (4) a mayor or municipal council or board member;

8 (5) a county board member;

9 (6) an affordable housing developer; and

10 (7) an affordable housing advocate.

11 In addition, the Chairman of the Illinois Housing  
12 Development Authority, ex officio, shall serve as a non-voting  
13 member. No more than 4 of the appointed members may be from the  
14 same political party. Appointments under items (2), (3), and  
15 (4) shall be from local governments that are not exempt under  
16 this Act.

17 (b) Initial terms of 4 members designated by the Governor  
18 shall be for 2 years. Initial terms of 3 members designated by  
19 the Governor shall be for one year. Thereafter, members shall  
20 be appointed for terms of 2 years. After a member's term  
21 expires, the member shall continue to serve until a successor  
22 is appointed. There shall be no limit to the number of terms an  
23 appointee may serve. A member shall receive no compensation  
24 for his or her services, but shall be reimbursed by the State  
25 for all reasonable expenses actually and necessarily incurred  
26 in the performance of his or her official duties. The board

1 shall hear all petitions for review filed under this Act and  
2 shall conduct all hearings in accordance with the rules and  
3 regulations established by the chairperson. The Illinois  
4 Housing Development Authority shall provide space and clerical  
5 and other assistance that the Board may require.

6 (c) (Blank).

7 (d) To the extent possible, any vacancies in the Housing  
8 Appeals Board shall be filled within 90 days of the vacancy.

9 (Source: P.A. 98-287, eff. 8-9-13.)

10 (310 ILCS 67/70 new)

11 Sec. 70. Home rule application. Unless otherwise provided  
12 under this Act or otherwise in accordance with State law, a  
13 unit of local government, including a home rule unit, or any  
14 non-home rule county within the unincorporated territory of  
15 the county, may not regulate the activities described in this  
16 Act in a manner more restrictive than the regulation of those  
17 activities by the State under this Act. This Section is a  
18 limitation under subsection (i) of Section 6 of Article VII of  
19 the Illinois Constitution on the concurrent exercise by home  
20 rule units of powers and functions exercised by the State.

21 Section 999. Effective date. This Act takes effect upon  
22 becoming law.