



Sen. William Delgado

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09700HB5450sam001

LRB097 16987 KTG 68987 a

1 AMENDMENT TO HOUSE BILL 5450

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5450 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Rental Housing Support Program Act is  
5 amended by changing Sections 5 and 25 and by adding Section 95  
6 as follows:

7 (310 ILCS 105/5)

8 Sec. 5. Legislative findings and purpose. The General  
9 Assembly finds that in many parts of this State, large numbers  
10 of citizens are faced with the inability to secure affordable  
11 rental housing. Due to either insufficient wages or a shortage  
12 of affordable rental housing stock, or both, many families have  
13 difficulty securing decent housing, are subjected to  
14 overcrowding, pay too large a portion of their total monthly  
15 income for housing and consequently suffer the lack of other  
16 basic needs, live in substandard or unhealthy housing, or

1 experience chronic housing instability. Instability and  
2 inadequacy in housing limits the employability and  
3 productivity of many citizens, adversely affects family health  
4 and stress levels, and impedes children's ability to learn;  
5 such instability ~~, and~~ produces corresponding drains on public  
6 resources and contributes to an overall decline in real estate  
7 values. It is the purpose of this Act to create a State program  
8 to help localities address the need for decent, affordable,  
9 permanent rental housing.

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

11 (310 ILCS 105/25)

12 Sec. 25. Criteria for awarding grants. The Authority shall  
13 adopt rules to govern the awarding of grants and the continuing  
14 eligibility for grants under Sections 15 and 20. Requests for  
15 proposals under Section 20 must specify that proposals must  
16 satisfy these rules. The rules must contain and be consistent  
17 with, but need not be limited to, the following criteria:

18 (1) Eligibility for tenancy in the units supported by  
19 grants to local administering agencies must be limited to  
20 households with gross income at or below 30% of the median  
21 family income for the area in which the grant will be made.  
22 Fifty percent of the units that are supported by any grant  
23 must be set aside for households whose income is at or  
24 below 15% of the area median family income for the area in  
25 which the grant will be made, provided that local

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

23 (2) Local administering agencies must include  
24 2-bedroom, 3-bedroom, and 4-bedroom units among those  
25 intended to be supported by grants under the program. In  
26 grants under Section 15, the precise number of these units

1 among all the units intended to be supported by a grant  
2 must be based on need in the community for larger units and  
3 other factors that the Authority specifies in rules. The  
4 local administering agency must specify the basis for the  
5 numbers of these units that are proposed for support under  
6 a grant. Local administering agencies must make a good  
7 faith effort to comply with this allocation of unit sizes.  
8 In grants awarded under Section 20, developers and the  
9 Authority or municipality, as defined in subsection (b) of  
10 Section 10, shall negotiate the numbers and sizes of units  
11 to be built in a project and supported by the grant.

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

17 (4) Local administering agencies and developers must  
18 specify how vacancies in units supported by a grant must be  
19 advertised and they must include provisions for outreach to  
20 local homeless shelters, organizations that work with  
21 people with disabilities, and others interested in  
22 affordable housing.

23 (5) The local administering agency or developer must  
24 establish a schedule for the tenant's rental obligation for  
25 units supported by a grant. The tenant's share of the rent  
26 must be a flat amount, calculated annually, based on the

1 size of the unit and the household's income category. In  
2 establishing the schedule for the tenant's rental  
3 obligation, the local administering agency or developer  
4 must use 30% of gross income within an income range as a  
5 guide, and it may charge an additional or lesser amount.

6 (6) The amount of the subsidy provided under a grant  
7 for a unit must be the difference between the amount of the  
8 tenant's obligation and the total amount of rent for the  
9 unit. The total amount of rent for the unit must be  
10 negotiated between the local administering authority and  
11 the landlord under Section 15, or between the Authority or  
12 municipality, as defined in subsection (b) of Section 10,  
13 and the developer under Section 20, using comparable rents  
14 for units of comparable size and condition in the  
15 surrounding community as a guideline.

16 (7) Local administering agencies and developers,  
17 pursuant to criteria the Authority develops in rules, must  
18 ensure that there are procedures in place to maintain the  
19 safety and habitability of units supported under grants.  
20 Local administering agencies must inspect units before  
21 supporting them under a grant awarded under Section 15.

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

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

8           (10) Local administering agencies and developers may  
9 not use funding under the grant to develop or support  
10 housing that requires that a tenant has a particular  
11 diagnosis or type ~~or presence~~ of disability as a condition  
12 of eligibility for occupancy unless the requirement is  
13 mandated by another funding source for the housing. Local  
14 administering agencies and developers may use grant  
15 funding to develop integrated housing opportunities for  
16 persons with disabilities, but not housing restricted to a  
17 specific disability type.

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

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

24 (310 ILCS 105/95 new)

25 Sec. 95. Severability. If any provision of this Act or its

1 application to any person or circumstance is held invalid, the  
2 invalidity of that provision or application does not affect  
3 other provisions or applications of this Act that can be given  
4 effect without the invalid provision or application.

5 Section 99. Effective date. This Act takes effect upon  
6 becoming law.".