

AN ACT concerning State government.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 1. Short title. This Act may be cited as the H+T Affordability Index Act.

Section 5. Findings. The General Assembly finds and declares all of the following:

(1) Affordability is an important factor for establishing and implementing infrastructure investment policies because it helps ensure that all individuals in the State have an opportunity for a high quality of life at a reasonable cost.

(2) Traditional definitions of affordability include housing costs but not transportation costs, which are the second largest and fastest growing expenditure in a household budget.

(3) It is beneficial to use definitions, indexes, and policies that link housing and transportation costs to assist in establishing investment plans for housing, transportation, infrastructure, and economic development that more effectively address the significant costs of living in Metropolitan Planning Organization areas.

(4) The H+T Affordability Index is a tool that was designed to calculate the transportation costs associated with a home's

location and to combine that cost with the cost of housing to calculate affordability as a percentage of overall household income.

(5) An analysis of housing and transportation costs in 54 metro areas nationally demonstrates that reducing the combined cost of housing and transportation to 48% or less of income represents a desirable and achievable goal; the H+T Affordability Index has adopted 48% as the ratio of income to housing and transportation costs.

(6) The analysis also reveals that affordability is enhanced by locating residential units that have been thoughtfully planned to lessen sprawl in mixed-use, transit-rich communities near shopping, schools, and work, and that residents of communities with low transportation costs benefit from using transit for the mobility required to undertake activities associated with daily life; residents of these types of communities own fewer cars and drive them shorter distances, thereby reducing environmental impacts and lowering their cost of living.

(7) A housing and transportation affordability standard, such as that recommended by the H+T Affordability Index, is an important consideration in the development of State plans and investments in housing, transportation, economic development, and other public facilities and infrastructure.

Section 10. Definitions. For purposes of this Act:

"Annual Comprehensive Housing Plan" means the plan created by the Comprehensive Housing Planning Act (Public Act 94-965, effective June 30, 2006).

"Context Sensitive Solution Process" means the process by which IDOT develops the scope of transportation projects, in accordance with Public Act 93-545, effective January 1, 2004.

"CDB" means the Illinois Capital Development Board, which is responsible for overseeing the design, construction, repair, and renovation for State-funded, public buildings, including, but not limited to, schools, colleges, museums, and State recreation areas.

"DCEO" means the Department of Commerce and Economic Opportunity, which is responsible for improving Illinois' competitiveness in the global economy by administering economic and workforce development programs.

"HUD/DOT Sustainability Initiative" means an initiative undertaken by the U.S. Departments of Housing and Urban Development ("HUD") and Transportation ("DOT") in partnership to help American families gain better access to affordable housing, more transportation options, and lower transportation costs.

"H+T Affordability Index" means the Housing and Transportation Affordability Index, a tool that maps the combined costs of housing and transportation for neighborhoods within a metropolitan area.

"IDOT" means the Illinois Department of Transportation,

which is responsible for statewide planning of transportation and transit development.

"IFA" means the Illinois Finance Authority, which is responsible for issuing taxable and tax-exempt bonds, making loans, and investing capital in initiatives that stimulate the economy and create jobs.

"IHDA" means the Illinois Housing Development Authority, which is responsible for financing affordable housing development.

"Interagency Coordinating Committee on Transportation" or "ICCT" means the committee created by Public Act 93-185, effective July 11, 2003, to encourage the coordination of public and private transportation services, with priority given toward services directed toward those populations who are not currently served or are underserved by existing public transportation.

"Metropolitan Planning Organization" refers to a regional policy body, required by the federal government in urbanized areas with populations over 50,000 and designated by local officials and the Governor of the State to carry out the metropolitan transportation planning requirements of federal highway and transit legislation.

"Task Force" means the Task Force codified by the Comprehensive Housing Planning Act (Public Act 94-965, effective June 30, 2006), which is responsible for statewide planning of affordable housing and creating Illinois' Annual

Comprehensive Housing Plan in cooperation with multiple agencies, including IDOT, IHDA, and DCEO.

Section 15. Funding for non-Metropolitan Planning Organization areas. Nothing in this Act shall reduce or divert funds away from areas not located in a Metropolitan Planning Organization area.

Section 20. Adoption of the H+T Affordability Index; Metropolitan Planning Organization areas. The H+T Affordability Index or substantially equivalent affordability measure, where available, shall be adopted by DCEO, IDOT and IHDA as (1) a tool for the development of plans in Metropolitan Planning Organization areas and (2) a consideration for the allocation of funding for public transportation, economic development, and housing projects in Metropolitan Planning Organization areas; the distribution of economic incentives to businesses in Metropolitan Planning Organization areas; and the siting of public facilities in Metropolitan Planning Organization areas, where appropriate.

Section 25. Adoption of H+T Affordability Index; agencies.

(a) The Task Force, in cooperation with the Interagency Coordinating Committee on Transportation, shall consider the H+T Affordability Index, results of the HUD/DOT Sustainability Initiative, and the Context Sensitive Solution Process, along

with other applicable affordability measures, to create an affordability definition and policy that incorporates housing and transportation costs for Metropolitan Planning Organization areas, where appropriate, and shall include both in the Annual Comprehensive Housing Plan for Metropolitan Planning Organization Areas.

(b) DCEO, IDOT, and IHDA may use the H+T Affordability Index and other applicable affordability measures to ensure consideration of the combined costs of housing and transportation in screening and prioritizing investments in public transportation, housing, and economic development projects in Metropolitan Planning Organization areas, where appropriate.

(c) CDB shall recommend the H+T Affordability Index to ensure consideration of the combined costs of housing and transportation when new public facilities are sited in Metropolitan Planning Organization areas.

(d) IDOT shall use its Context Sensitive Solution Process for all transportation expansion projects within Metropolitan Planning Organization areas and, where possible, shall work with communities to enhance or provide opportunities for transportation alternatives to personal automobiles where mixed-use communities thoughtfully planned to lessen sprawl exist or are appropriate.

(e) IFA shall recommend the H+T Affordability Index to ensure consideration of the combined costs of housing and

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transportation in siting new buildings in Metropolitan
Planning Organization areas.