



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB4615

Introduced 2/1/2012, by Rep. Camille Y Lilly

SYNOPSIS AS INTRODUCED:

310 ILCS 105/15

Amends the Rental Housing Support Program Act. In regard to grants provided under the Rental Housing Support Program for the operating expenses of local administering agencies, provides that on an annual basis, operating expenses for local administering agencies shall not exceed 10% for grants under \$500,000 and shall not exceed 7% for grants over \$500,000 (rather than operating expenses for local administering agencies shall not exceed 10% for grants under \$500,000 and shall not exceed 7% for grants over \$500,000). Provides that if a grant to a local administering agency covers more than one year, the Authority shall calculate operating expenses on an annual pro rata share of the grant. Provides that if the annual pro rata share is \$500,000 or less, then the fee shall be 10%; if the annual pro rata share is greater than \$500,000, then the fee shall be 7%.

LRB097 17928 KTG 63700 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning housing.

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

4 Section 5. The Rental Housing Support Program Act is
5 amended by changing Section 15 as follows:

6 (310 ILCS 105/15)

7 Sec. 15. Grants to local administering agencies.

8 (a) Under the program, the Authority shall make grants to
9 local administering agencies to provide subsidies to landlords
10 to enable the landlords to charge rent affordable for
11 low-income tenants. Grants shall also include an amount for the
12 operating expenses of local administering agencies. On an
13 annual basis, operating ~~Operating~~ expenses for local
14 administering agencies shall not exceed 10% for grants under
15 \$500,000 and shall not exceed 7% for grants over \$500,000. If a
16 grant to a local administering agency covers more than one
17 year, the Authority shall calculate operating expenses on an
18 annual pro rata share of the grant. If the annual pro rata
19 share is \$500,000 or less, then the fee shall be 10%; if the
20 annual pro rata share is greater than \$500,000, then the fee
21 shall be 7%.

22 (b) The Authority shall develop a request-for-proposals
23 process for soliciting proposals from local administering

1 agencies and for awarding grants. The request-for-proposals
2 process and the funded projects must be consistent with the
3 criteria set forth in Section 25 and with additional criteria
4 set forth by the Authority in rules implementing this Act.

5 (c) Local administering agencies may be local governmental
6 bodies, local housing authorities, or not-for-profit
7 organizations. The Authority shall set forth in rules the
8 financial and capacity requirements necessary for an
9 organization to qualify as a local administering agency and the
10 parameters for administration of the grants by local
11 administering agencies.

12 (d) The Authority shall distribute grants to local
13 administering agencies according to a formula based on U.S.
14 Census data. The formula shall determine percentages of the
15 funds to be distributed to the following geographic areas: (i)
16 Chicago; (ii) suburban areas: Cook County (excluding Chicago),
17 DuPage County, Lake County, Kane County, Will County, and
18 McHenry County; (iii) small metropolitan areas: Springfield,
19 Rockford, Peoria, Decatur, Champaign-Urbana,
20 Bloomington-Normal, Rock Island, DeKalb, Madison County,
21 Moline, Pekin, Rantoul, and St. Clair County; and (iv) rural
22 areas, defined as all areas of the State not specifically named
23 in items (i), (ii), and (iii) of this subsection. A geographic
24 area's percentage share shall be determined by the total number
25 of households that have an annual income of less than 50% of
26 State median income for a household of 4, as determined by the

1 U.S. Department of Housing and Urban Development, and that are
2 paying more than 30% of their income for rent. The geographic
3 distribution shall be re-determined by the Authority each time
4 new U.S. Census data becomes available. The Authority shall
5 phase in any changes to the geographic formula to prevent a
6 large withdrawal of resources from one area that could
7 negatively impact households receiving rental housing support.
8 Up to 20% of the funds allocated for rural areas, as defined in
9 this subsection, may be set aside and awarded to one
10 administering agency to be distributed throughout the rural
11 areas in the State to localities that desire a number of
12 subsidized units of housing that is too small to justify the
13 establishment of a full local program. In those localities, the
14 administering agency may contract with local agencies to share
15 the administrative tasks of the program, such as inspections of
16 units.

17 (e) In order to ensure applications from all geographic
18 areas of the State, the Authority shall create a plan to ensure
19 that potential local administering agencies have ample time and
20 support to consider making an application and to prepare an
21 application. Such a plan must include, but is not limited to:
22 an outreach and education plan regarding the program and the
23 requirements for a local administering agency; ample time
24 between the initial notice of funding ability and the deadline
25 to submit an application, which shall not be less than 9
26 months; and access to assistance from the Authority or another

1 agency in considering and preparing the application.

2 (f) In order to maintain consistency for households
3 receiving rental housing support, the Authority shall, to the
4 extent possible given funding resources available in the Rental
5 Housing Support Program, continue to fund local administering
6 agencies at the same level on an annual basis, unless the
7 Authority determines that a local administering agency is not
8 meeting the criteria set forth in Section 25 or is not adhering
9 to other standards set forth by rule by the Authority.

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