**Section 355.311 Donations from State and Local Governments**

Sponsors may accept Donations from the State government, local municipalities and agencies, boards, commissions, corporations or authorities of State governments and municipalities in the form of the following:

a) money, provided that the money does not come directly or indirectly from any Federal source or any State program providing funding either related to affordable housing or services provided in connection with affordable housing; and further provided that the money does not have to be repaid with funds from the operation of the Project;

b) the value of waived permit fees or other customary charges, such as water and sewer permit fees, hook up charges or impact fees, when the waiver is made in a manner that achieves a reduction in the cost of construction of an Affordable Housing Project or an Employer-Assisted Housing Project;

c) real property, as described in Section 355.306 of this Part; and

d) loans made at a below-market interest rate. The value of the Donation shall be the present value, as of the date of the Donation, of the difference of the market rate interest that would be paid over the term of the loan and the actual interest to be paid over the term of the loan.

(Source: Amended at 34 Ill. Reg. 15822, effective September 28, 2010)