**Section 360.904 Income and Housing Expense Limits**

a) A Tenant's initial occupancy of a unit held available for rental to Low-Income Households and Very Low-Income Households shall be limited to persons and families initially meeting the income limits set forth in subsection (b) below. If a Tenant meeting income requirements at the time of initial occupancy subsequently fails to continue to meet such requirements, that failure shall not constitute non-compliance by that Tenant.

b) Determination of Income Limits

1) For all units in a Development, or a Single-Family Development, reserved for Low-Income Households, the income limits shall be equal to 80% of the median family income with adjustments for family size, for the area in which the Development or Single-Family Development is located, as such median income is determined from time to time by the United States Department of Housing and Urban Development for purposes of Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437). The median income of the area of residence shall be attached to each application provided by the Authority and additionally shall be available upon request.

2) For all units in a Development, or a Single-Family Development, reserved for Very Low-Income Households, the income limits shall be equal to 50% of the median family income with adjustments for family size, for the area in which the Development or Single-Family Development is located, as such median income is determined from time to time by the United States Department of Housing and Urban Development for purposes of Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437). The median income of the area of residence shall be attached to each application provided by the Authority and additionally shall be available upon request.

3) The Recipient shall obtain from each prospective Tenant intending to occupy a unit in a Development, or a Single-Family Development, reserved for Low-Income Households and Very Low-Income Households, and on an annual basis thereafter, a certification of income. The Recipient shall submit such certification to the Authority by mail.

c) Determination of Housing Expense Limits

1) For all units in a Development, or a Single-Family Development, reserved for Low-Income Households, Tenant(s) shall not incur, including a Utility Allowance, monthly housing expenses in excess of 30% of the maximum allowable income as set forth in subsection (b)(1) above. The amount allocated for the Utility Allowance shall be proposed by the Applicant and approved by the Authority.

2) For all units in a Development, or a Single-Family Development, reserved for Very Low-Income Households, Tenant(s) shall not incur, including a Utility Allowance, monthly housing expense in excess of 30% of the maximum allowable income as set forth in subsection (b)(2) above. The amount allocated for the Utility Allowance shall be proposed by the Applicant and approved by the Authority.

3) The Recipient shall submit on an annual basis the rent schedule for the Development reflecting the actual rents being charged at the Development.

4) No person or family shall be required to vacate or move from a unit in a Development or Single-Family Development reserved for Low-Income Households or Very Low-Income Households due to an increase in income exceeding the income limitations contained in this Subpart I. The Recipient may increase the rent for such units, for so long as the person or family's income exceeds such limits, to an amount not to exceed the fair market rent as determined by the Authority, determined by a market study of comparable rental units within a one half mile radius of the Development.

(Source: Amended at 18 Ill. Reg. 8663, effective May 25, 1994)