



Rep. Denyse Stoneback

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10200HB0648ham001

LRB102 10407 KTG 23517 a

1 AMENDMENT TO HOUSE BILL 648

2 AMENDMENT NO. _____. Amend House Bill 648 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 Section 25 as follows:

6 (310 ILCS 105/25)

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

14 (1) Eligibility for tenancy in the units supported by
15 grants to local administering agencies must be limited to
16 households with gross income at or below 30% of the median

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

1 tenant's income. Once a tenant has received assistance
2 under the Program, the tenant shall remain eligible for
3 assistance under the Program until the tenant reaches an
4 income level of 35% of area median family income and will
5 then begin the transition out of the Program, as described
6 in the rules governing the Program.

7 (2) Local administering agencies should ~~must~~ include
8 2-bedroom, 3-bedroom, and 4-bedroom units among those
9 intended to be supported by grants under the Program. In
10 grants under Section 15, the precise number of these units
11 among all the units intended to be supported by a grant
12 must be based on need in the community for larger units and
13 other factors that the Authority specifies in rules. The
14 local administering agency must specify the basis for the
15 numbers of these units that are proposed for support under
16 a grant. Local administering agencies must make a good
17 faith effort to comply with this allocation of unit sizes.
18 In grants awarded under Section 20, developers and the
19 Authority or municipality, as defined in subsection (b) of
20 Section 10, shall negotiate the numbers and sizes of units
21 to be built in a project and supported by the grant.

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

1 (4) Local administering agencies and developers must
2 specify how vacancies in units supported by a grant must
3 be advertised and they must include provisions for
4 outreach to local homeless shelters, organizations that
5 work with people with disabilities, and others interested
6 in affordable housing.

7 (5) The local administering agency or developer must
8 establish a schedule for the tenant's rental obligation
9 for units supported by a grant. The tenant's share of the
10 rent must be a flat amount, calculated annually, based on
11 the size of the unit and the household's income category.
12 In establishing the schedule for the tenant's rental
13 obligation, the local administering agency or developer
14 must use 30% of gross income within an income range as a
15 guide, and it may charge an additional or lesser amount.

16 (6) The amount of the subsidy provided under a grant
17 for a unit must be the difference between the amount of the
18 tenant's obligation and the total amount of rent for the
19 unit. The total amount of rent for the unit must be
20 negotiated between the local administering authority and
21 the landlord under Section 15, or between the Authority or
22 municipality, as defined in subsection (b) of Section 10,
23 and the developer under Section 20, using comparable rents
24 for units of comparable size and condition in the
25 surrounding community as a guideline.

26 (7) Local administering agencies and developers,

1 pursuant to criteria the Authority develops in rules, must
2 ensure that there are procedures in place to maintain the
3 safety and habitability of units supported under grants.
4 Local administering agencies must inspect units before
5 supporting them under a grant awarded under Section 15.

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

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

18 (10) Local administering agencies and developers may
19 not use funding under the grant to develop or support
20 housing that requires that a tenant has a particular
21 diagnosis or type of disability as a condition of
22 eligibility for occupancy unless the requirement is
23 mandated by another funding source for the housing. Local
24 administering agencies and developers may use grant
25 funding to develop integrated housing opportunities for
26 persons with disabilities, but not housing restricted to a

1 specific disability type.

2 (11) In order to plan for periodic fluctuations in
3 annual receipts on deposit appropriated to the Fund each
4 year, the Authority shall establish by rule a mechanism
5 for establishing a reserve fund and the level of funding
6 that shall be held in reserve either by the Authority or by
7 local administering agencies.

8 (12) The Authority shall perform annual
9 reconciliations of all distributions made in connection
10 with the Program and may offset future distributions to
11 balance geographic distribution requirements of this Act.

12 (Source: P.A. 99-97, eff. 7-22-15.)".