

AN ACT concerning housing.

**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 Rental Housing Support Program Act.

Section 5. Legislative findings and purpose. The General Assembly finds that in many parts of this State, large numbers of citizens are faced with the inability to secure affordable rental housing. Due to either insufficient wages or a shortage of affordable rental housing stock, or both, many families have difficulty securing decent housing, are subjected to overcrowding, pay too large a portion of their total monthly income for housing and consequently suffer the lack of other basic needs, live in substandard or unhealthy housing, or experience chronic housing instability. Instability and inadequacy in housing limits the employability and productivity of many citizens, adversely affects family health and stress levels, impedes children's ability to learn, and produces corresponding drains on public resources. It is the purpose of this Act to create a State program to help localities address the need for decent, affordable, permanent rental housing.

Section 7. Definitions. In this Act:

"Authority" means the Illinois Housing Development Authority.

"Developer" means any entity that receives a grant under Section 20.

"Program" means the Rental Housing Support Program.

"Real estate-related document" means any recorded document that affects an interest in real property excluding documents which solely affect or relate to an easement for water, sewer,

electricity, gas, telephone or other public service.

"Unit" means a rental apartment unit receiving a subsidy by means of a grant under this Act. "Unit" does not include housing units intended as transitional or temporary housing.

Section 10. Creation of Program and distribution of funds.

(a) The Rental Housing Support Program is created within the Illinois Housing Development Authority. The Authority shall administer the program and adopt rules for its implementation.

(b) The Authority shall distribute amounts appropriated for the Program from the Rental Housing Support Program Fund and any other appropriations provided for the Program as follows:

(1) A proportionate share of the annual appropriation, as determined under subsection (d) of Section 15 of this Act shall be distributed to municipalities with a population greater than 2,000,000. Those municipalities shall use at least 10% of those funds in accordance with Section 20 of this Act, and all provisions governing the Authority's actions under Section 20 shall govern the actions of the corporate authorities of a municipality under this Section. As to the balance of the annual distribution, the municipality shall designate a non-profit organization that meets the specific criteria set forth in Section 25 of this Act to serve as the "local administering agency" under Section 15 of this Act.

(2) Of the remaining appropriation after the distribution in paragraph (1) of this subsection, the Authority shall designate at least 10% for the purposes of Section 20 of this Act in areas of the State not covered under paragraph (1) of this subsection.

(3) The remaining appropriation after the distributions in paragraphs (1) and (2) of this subsection shall be distributed according to Section 15 of this Act in areas of the State not covered under paragraph (1) of this

subsection.

Section 15. Grants to local administering agencies.

(a) Under the program, the Authority shall make grants to local administering agencies to provide subsidies to landlords to enable the landlords to charge rent affordable for low-income tenants. Grants shall also include an amount for the operating expenses of local administering agencies. 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.

(b) The Authority shall develop a request-for-proposals process for soliciting proposals from local administering agencies and for awarding grants. The request-for-proposals process and the funded projects must be consistent with the criteria set forth in Section 25 and with additional criteria set forth by the Authority in rules implementing this Act.

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

(d) The Authority shall distribute grants to local administering agencies according to a formula based on U.S. Census data. The formula shall determine percentages of the funds to be distributed to the following geographic areas: (i) Chicago; (ii) suburban areas: Cook County (excluding Chicago), DuPage County, Lake County, Kane County, Will County, and McHenry County; (iii) small metropolitan areas: Springfield, Rockford, Peoria, Decatur, Champaign-Urbana, Bloomington-Normal, Rock Island, DeKalb, Madison County, Moline, Pekin, Rantoul, and St. Clair County; and (iv) rural areas, defined as all areas of the State not specifically named in items (i), (ii), and (iii) of this subsection. A geographic

area's percentage share shall be determined by the total number of households that have an annual income of less than 50% of State median income for a household of 4, as determined by the U.S. Department of Housing and Urban Development, and that are paying more than 30% of their income for rent. The geographic distribution shall be re-determined by the Authority each time new U.S. Census data becomes available. The Authority shall phase in any changes to the geographic formula to prevent a large withdrawal of resources from one area that could negatively impact households receiving rental housing support. Up to 20% of the funds allocated for rural areas, as defined in this subsection, may be set aside and awarded to one administering agency to be distributed throughout the rural areas in the State to localities that desire a number of subsidized units of housing that is too small to justify the establishment of a full local program. In those localities, the administering agency may contract with local agencies to share the administrative tasks of the program, such as inspections of units.

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

(f) In order to maintain consistency for households receiving rental housing support, the Authority shall, to the extent possible given funding resources available in the Rental Housing Support Program, continue to fund local administering agencies at the same level on an annual basis, unless the Authority determines that a local administering agency is not

meeting the criteria set forth in Section 25 or is not adhering to other standards set forth by rule by the Authority.

Section 20. Grants for affordable housing developments.

(a) The Authority may award grants under the program directly for the development of affordable rental housing for long-term operating support to enable the rent on such units to be affordable. Developers of such new housing shall apply directly to the Authority for this type of grant under the program.

(b) The Authority shall prescribe by rule the application requirements and the qualifications necessary for a developer and a development to qualify for a grant under the program. In any event, however, to qualify for a grant, the development must satisfy the criteria set forth in Section 25, unless waived by the Authority based on special circumstances and in furtherance of the purpose of the program to increase the supply of affordable rental housing. In awarding grants under this Section and in addition to any other requirements and qualifications specified in this Act and by rule, the Authority shall also consider the improvement of the geographic diversity of the developments under this Section among the decision criteria.

(c) The Authority must use at least 10% of the funds generated for the Program in any given year for grants under this Section. In any given year, the Authority is not required to spend the 10% of its funds that accrues in that year but may add all or part of that 10% to the 10% allocation for subsequent years for the purpose of funding grants under this Section.

Section 25. Criteria for awarding grants. The Authority shall adopt rules to govern the awarding of grants and the continuing eligibility for grants under Sections 15 and 20. Requests for proposals under Section 20 must specify that proposals must satisfy these rules. The rules must contain and

be consistent with, but need not be limited to, the following criteria:

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

(2) Local administering agencies must include 2-bedroom, 3-bedroom, and 4-bedroom units among those intended to be supported by grants under the program. In grants under Section 15, the precise number of these units

among all the units intended to be supported by a grant must be based on need in the community for larger units and other factors that the Authority specifies in rules. The local administering agency must specify the basis for the numbers of these units that are proposed for support under a grant. Local administering agencies must make a good faith effort to comply with this allocation of unit sizes. In grants awarded under Section 20, developers and the Authority or municipality, as defined in subsection (b) of Section 10, shall negotiate the numbers and sizes of units to be built in a project and supported by the grant.

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

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

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

(6) The amount of the subsidy provided under a grant for a unit must be the difference between the amount of the tenant's obligation and the total amount of rent for the unit. The total amount of rent for the unit must be negotiated between the local administering authority and

the landlord under Section 15, or between the Authority or municipality, as defined in subsection (b) of Section 10, and the developer under Section 20, using comparable rents for units of comparable size and condition in the surrounding community as a guideline.

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

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

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

(10) Local administering agencies and developers may not use funding under the grant to develop or support housing that requires that a tenant has a particular diagnosis or type or presence of disability as a condition of eligibility for occupancy unless the requirement is mandated by another funding source for the housing.

(11) In order to plan for periodic fluctuations in program revenue, the Authority shall establish by rule a mechanism for establishing a reserve fund and the level of funding that shall be held in reserve either by the Authority or by local administering agencies.

Section 85. The State Finance Act is amended by adding

Section 5.640 as follows:

(30 ILCS 105/5.640 new)

Sec. 5.640. The Rental Housing Support Program Fund.

Section 90. The Counties Code is amended by changing Sections 3-5018 and 4-12002 as follows:

(55 ILCS 5/3-5018) (from Ch. 34, par. 3-5018)

Sec. 3-5018. Fees. The recorder elected as provided for in this Division shall receive such fees as are or may be provided for him by law, in case of provision therefor: otherwise he shall receive the same fees as are or may be provided in this Section, except when increased by county ordinance pursuant to the provisions of this Section, to be paid to the county clerk for his services in the office of recorder for like services.

For recording deeds or other instruments \$12 for the first 4 pages thereof, plus \$1 for each additional page thereof, plus \$1 for each additional document number therein noted. The aggregate minimum fee for recording any one instrument shall not be less than \$12.

For recording deeds or other instruments wherein the premises affected thereby are referred to by document number and not by legal description a fee of \$1 in addition to that hereinabove referred to for each document number therein noted.

For recording assignments of mortgages, leases or liens \$12 for the first 4 pages thereof, plus \$1 for each additional page thereof. However, except for leases and liens pertaining to oil, gas and other minerals, whenever a mortgage, lease or lien assignment assigns more than one mortgage, lease or lien document, a \$7 fee shall be charged for the recording of each such mortgage, lease or lien document after the first one.

For recording maps or plats of additions or subdivisions approved by the county or municipality (including the spreading of the same of record in map case or other proper books) or plats of condominiums \$50 for the first page, plus \$1 for each

additional page thereof except that in the case of recording a single page, legal size 8 1/2 x 14, plat of survey in which there are no more than two lots or parcels of land, the fee shall be \$12. In each county where such maps or plats are to be recorded, the recorder may require the same to be accompanied by such number of exact, true and legible copies thereof as the recorder deems necessary for the efficient conduct and operation of his office.

For certified copies of records the same fees as for recording, but in no case shall the fee for a certified copy of a map or plat of an addition, subdivision or otherwise exceed \$10.

Each certificate of such recorder of the recording of the deed or other writing and of the date of recording the same signed by such recorder, shall be sufficient evidence of the recording thereof, and such certificate including the indexing of record, shall be furnished upon the payment of the fee for recording the instrument, and no additional fee shall be allowed for the certificate or indexing.

The recorder shall charge an additional fee, in an amount equal to the fee otherwise provided by law, for recording a document (other than a document filed under the Plat Act or the Uniform Commercial Code) that does not conform to the following standards:

(1) The document shall consist of one or more individual sheets measuring 8.5 inches by 11 inches, not permanently bound and not a continuous form. Graphic displays accompanying a document to be recorded that measure up to 11 inches by 17 inches shall be recorded without charging an additional fee.

(2) The document shall be legibly printed in black ink, by hand, type, or computer. Signatures and dates may be in contrasting colors if they will reproduce clearly.

(3) The document shall be on white paper of not less than 20-pound weight and shall have a clean margin of at least one-half inch on the top, the bottom, and each side.

Margins may be used for non-essential notations that will not affect the validity of the document, including but not limited to form numbers, page numbers, and customer notations.

(4) The first page of the document shall contain a blank space, measuring at least 3 inches by 5 inches, from the upper right corner.

(5) The document shall not have any attachment stapled or otherwise affixed to any page.

A document that does not conform to these standards shall not be recorded except upon payment of the additional fee required under this paragraph. This paragraph, as amended by this amendatory Act of 1995, applies only to documents dated after the effective date of this amendatory Act of 1995.

The county board of any county may provide for an additional charge of \$3 for filing every instrument, paper, or notice for record, (1) in order to defray the cost of converting the county recorder's document storage system to computers or micrographics and (2) in order to defray the cost of providing access to records through the global information system known as the Internet.

A special fund shall be set up by the treasurer of the county and such funds collected pursuant to Public Act 83-1321 shall be used (1) for a document storage system to provide the equipment, materials and necessary expenses incurred to help defray the costs of implementing and maintaining such a document records system and (2) for a system to provide electronic access to those records.

The county board of any county that provides and maintains a countywide map through a Geographic Information System (GIS) may provide for an additional charge of \$3 for filing every instrument, paper, or notice for record (1) in order to defray the cost of implementing or maintaining the county's Geographic Information System and (2) in order to defray the cost of providing electronic access to the county's Geographic Information System records. Of that amount, \$2 must be

deposited into a special fund set up by the treasurer of the county, and any moneys collected pursuant to this amendatory Act of the 91st General Assembly and deposited into that fund must be used solely for the equipment, materials, and necessary expenses incurred in implementing and maintaining a Geographic Information System and in order to defray the cost of providing electronic access to the county's Geographic Information System records. The remaining \$1 must be deposited into the recorder's special funds created under Section 3-5005.4. The recorder may, in his or her discretion, use moneys in the funds created under Section 3-5005.4 to defray the cost of implementing or maintaining the county's Geographic Information System and to defray the cost of providing electronic access to the county's Geographic Information System records.

The recorder shall collect a \$10 Rental Housing Support Program State surcharge for the recordation of any real estate-related document. Payment of the Rental Housing Support Program State surcharge shall be evidenced by a receipt that shall be marked upon or otherwise affixed to the real estate-related document by the recorder. The form of this receipt shall be prescribed by the Department of Revenue and the receipts shall be issued by the Department of Revenue to each county recorder.

The recorder shall not collect the Rental Housing Support Program State surcharge from any State agency, any unit of local government or any school district.

One dollar of each surcharge shall be retained by the county in which it was collected. This dollar shall be deposited into the county's general revenue fund. Fifty cents of that amount shall be used for the costs of administering the Rental Housing Support Program State surcharge and any other lawful expenditures for the operation of the office of the recorder and may not be appropriated or expended for any other purpose. The amounts available to the recorder for expenditure from the surcharge shall not offset or reduce any other county

appropriations or funding for the office of the recorder.

On the 15th day of each month, each county recorder shall report to the Department of Revenue, on a form prescribed by the Department, the number of real estate-related documents recorded for which the Rental Housing Support Program State surcharge was collected. Each recorder shall submit \$9 of each surcharge collected in the preceding month to the Department of Revenue and the Department shall deposit these amounts in the Rental Housing Support Program Fund. Subject to appropriation, amounts in the Fund may be expended only for the purpose of funding and administering the Rental Housing Support Program.

For purposes of this Section, "real estate-related document" means that term as it is defined in Section 7 of the Rental Housing Support Program Act.

The foregoing fees allowed by this Section are the maximum fees that may be collected from any officer, agency, department or other instrumentality of the State. The county board may, however, by ordinance, increase the fees allowed by this Section and collect such increased fees from all persons and entities other than officers, agencies, departments and other instrumentalities of the State if the increase is justified by an acceptable cost study showing that the fees allowed by this Section are not sufficient to cover the cost of providing the service. Regardless of any other provision in this Section, the maximum fee that may be collected from the Department of Revenue for filing or indexing a lien, certificate of lien release or subordination, or any other type of notice or other documentation affecting or concerning a lien is \$5. Regardless of any other provision in this Section, the maximum fee that may be collected from the Department of Revenue for indexing each additional name in excess of one for any lien, certificate of lien release or subordination, or any other type of notice or other documentation affecting or concerning a lien is \$1.

A statement of the costs of providing each service, program and activity shall be prepared by the county board. All supporting documents shall be public record and subject to

public examination and audit. All direct and indirect costs, as defined in the United States Office of Management and Budget Circular A-87, may be included in the determination of the costs of each service, program and activity.

(Source: P.A. 92-16, eff. 6-28-01; 92-492, eff. 1-1-02; 93-256, eff. 7-22-03.)

(55 ILCS 5/4-12002) (from Ch. 34, par. 4-12002)

Sec. 4-12002. Fees of recorder in third class counties. The fees of the recorder in counties of the third class for recording deeds or other instruments in writing and maps of plats of additions, subdivisions or otherwise, and for certifying copies of records, shall be paid in advance and shall be as follows:

For recording deeds or other instruments \$20 for the first 2 pages thereof, plus \$2 for each additional page thereof. The aggregate minimum fee for recording any one instrument shall not be less than \$20.

For recording deeds or other instruments wherein the premises affected thereby are referred to by document number and not by legal description the recorder shall charge a fee of \$4 in addition to that hereinabove referred to for each document number therein noted.

For recording deeds or other instruments wherein more than one tract, parcel or lot is described and such additional tract, or tracts, parcel or parcels, lot or lots is or are described therein as falling in a separate or different addition or subdivision the recorder shall charge as an additional fee, to that herein provided, the sum of \$2 for each additional addition or subdivision referred to in such deed or instrument.

For recording maps or plats of additions, subdivisions or otherwise (including the spreading of the same of record in well bound books) \$100 plus \$2 for each tract, parcel or lot contained therein.

For certified copies of records the same fees as for

recording, but in no case shall the fee for a certified copy of a map or plat of an addition, subdivision or otherwise exceed \$200.

For non-certified copies of records, an amount not to exceed one half of the amount provided herein for certified copies, according to a standard scale of fees, established by county ordinance and made public.

For filing of each release of any chattel mortgage or trust deed which has been filed but not recorded and for indexing the same in the book to be kept for that purpose \$10.

For processing the sworn or affirmed statement required for filing a deed or assignment of a beneficial interest in a land trust in accordance with Section 3-5020 of this Code, \$2.

The recorder shall charge an additional fee, in an amount equal to the fee otherwise provided by law, for recording a document (other than a document filed under the Plat Act or the Uniform Commercial Code) that does not conform to the following standards:

(1) The document shall consist of one or more individual sheets measuring 8.5 inches by 11 inches, not permanently bound and not a continuous form. Graphic displays accompanying a document to be recorded that measure up to 11 inches by 17 inches shall be recorded without charging an additional fee.

(2) The document shall be legibly printed in black ink, by hand, type, or computer. Signatures and dates may be in contrasting colors if they will reproduce clearly.

(3) The document shall be on white paper of not less than 20-pound weight and shall have a clean margin of at least one-half inch on the top, the bottom, and each side. Margins may be used only for non-essential notations that will not affect the validity of the document, including but not limited to form numbers, page numbers, and customer notations.

(4) The first page of the document shall contain a blank space, measuring at least 3 inches by 5 inches, from

the upper right corner.

(5) The document shall not have any attachment stapled or otherwise affixed to any page.

A document that does not conform to these standards shall not be recorded except upon payment of the additional fee required under this paragraph. This paragraph, as amended by this amendatory Act of 1995, applies only to documents dated after the effective date of this amendatory Act of 1995.

The recorder shall collect a \$10 Rental Housing Support Program State surcharge for the recordation of any real estate-related document. Payment of the Rental Housing Support Program State surcharge shall be evidenced by a receipt that shall be marked upon or otherwise affixed to the real estate-related document by the recorder. The form of this receipt shall be prescribed by the Department of Revenue and the receipts shall be issued by the Department of Revenue to each county recorder.

The recorder shall not collect the Rental Housing Support Program State surcharge from any State agency, any unit of local government or any school district.

One dollar of each surcharge shall be retained by the county in which it was collected. This dollar shall be deposited into the county's general revenue fund. Fifty cents of that amount shall be used for the costs of administering the Rental Housing Support Program State surcharge and any other lawful expenditures for the operation of the office of the recorder and may not be appropriated or expended for any other purpose. The amounts available to the recorder for expenditure from the surcharge shall not offset or reduce any other county appropriations or funding for the office of the recorder.

On the 15th day of each month, each county recorder shall report to the Department of Revenue, on a form prescribed by the Department, the number of real estate-related documents recorded for which the Rental Housing Support Program State surcharge was collected. Each recorder shall submit \$9 of each surcharge collected in the preceding month to the Department of

Revenue and the Department shall deposit these amounts in the Rental Housing Support Program Fund. Subject to appropriation, amounts in the Fund may be expended only for the purpose of funding and administering the Rental Housing Support Program.

For purposes of this Section, "real estate-related document" means that term as it is defined in Section 7 of the Rental Housing Support Program Act.

The fee requirements of this Section apply to units of local government and school districts.

Regardless of any other provision in this Section, the maximum fee that may be collected from the Department of Revenue for filing or indexing a lien, certificate of lien release or subordination, or any other type of notice or other documentation affecting or concerning a lien is \$5. Regardless of any other provision in this Section, the maximum fee that may be collected from the Department of Revenue for indexing each additional name in excess of one for any lien, certificate of lien release or subordination, or any other type of notice or other documentation affecting or concerning a lien is \$1.

(Source: P.A. 92-492, eff. 1-1-02; 93-671, eff. 6-1-04.)

Section 99. Effective date. This Act takes effect July 1, 2005.