

Affordable Housing Planning and Appeal Act (310 ILCS 67/)

Recommended Procedural Guidelines for Compliance

Addendum #1

Frequently Asked Questions About Tracking (to be added in Section V, E (Page 21) of the original November 23, 2004 document):

How should programs that subsidize homeowners and renters but not the actual housing units be tracked? While subsidy programs do help to keep rent and mortgage payments affordable to lower income persons and families, they do not effect the value of the actual unit, which may maintain a value that is higher than the “affordable” level as defined by the AHPAA. There is the possibility that these units occupied by subsidized residents will not be counted as affordable units in the decennial Census and will not be counted in the over all determination of affordable units within a community. In order to guarantee long-term compliance with the AHPAA, it is recommended that affordable units (that are rent or value–restricted) be created. However, because a voucher or subsidy program that subsidizes the tenant or owner is a viable mechanism to create affordable housing, it is strongly recommended that the subsidy use be well documented on an annual basis. It is recommended that documentation is submitted annually to IHDA for review and maintained on a local basis so if an appeal is brought before the SHAB, the existence of affordable rental and/or ownership opportunities can be clearly demonstrated even if these units are not part of the official count of affordable units.

Will newly developed or redeveloped units that rent at a market rate that is lower than the AHPAA affordable rental price be counted as affordable? Yes.

Unrestricted units that rent at a market rate that is lower than the affordable rental price for a community should be counted as affordable units. However, affordability for these units can not be assumed on an annual basis as it is quite possible that market rate rents will rise to a level that is higher than the AHPAA standard. The only way to guarantee that the units remain affordable for an extended period of time is to restrict the rents to an affordable level. It is recommended that affordable market rate rents be confirmed annually. It is the responsibility of the reporting municipality to report changes in affordability on a going forward basis.

Should health and safety improvements that are required by building codes or otherwise mandated be considered as development or redevelopment? No. Health and safety improvements that are required by building code or mandated by the Village, County or State are not development or redevelopment even if they change the affordability of the property. It is recommended that all mandated renovations be documented as such. Voluntary or discretionary renovations that change the affordability of a unit, however, will be counted as redevelopment.

Frequently Asked Questions About The Affordable Housing Planning and Appeal Act
(to be added in Section VI (Page 23) of the original November 23, 2004 document):

Can County-level area median income data be used instead of Primary Metropolitan Statistical Area data in determining exemption from AHPAA? While the language in the law does specify that county or PMSA data are to be used, IHDA does not consider this language to give IHDA or local municipalities a choice as to which data should be used for a particular community. PMSA data applies only to larger urbanized areas, and it would not have been included in the Act if it were not intended to be used in the appropriate geographic areas. This use is also consistent with IHDA's practice in all of its other funding programs.

Will unconventional residential units that are converted to non-residential uses count as redevelopment? Yes. Unconventional residential units (such as units that are located above a store-front) that are converted from residential uses to non-residential uses will count as redevelopment. Often times, unconventional residential units are converted to non-residential uses because the costs of the upkeep and maintenance are too high. Affordable units that are lost in this way should be removed from the numerator in the formulas determining progress for all three of the affordable housing goals. Because the units will not be used for housing, they should also be removed from the denominator in the affordable housing goal formulas.