



**Illinois
Housing
Development
Authority**

A self supporting public agency

401 N. Michigan Avenue, Suite 900
Chicago, IL 60611
(312) 836-5200 TDD (312) 836-5222
<http://www.ihda.org>

ROD R. BLAGOJEVICH – GOVERNOR
Kelly King Dibble – Executive Director

August 10, 2004

Honorable Mayor

Dear Mayor:

On January 1, 2004, the Illinois Affordable Housing Planning and Appeal Act (Public Act 93-595, as amended by Public Act 93-678) went into effect. This law is intended to encourage municipalities and counties to incorporate affordable housing into their communities. It requires all counties and municipalities with insufficient affordable housing, as defined by this law, to adopt an affordable housing plan. Local governments with sufficient affordable housing, set by the statute as 10% or more of total year-round housing units, are exempt, as are municipalities under 1,000 in population. The Act also states that affordable housing developers who are denied permits by communities with insufficient affordable housing or receive approvals with infeasible conditions, may appeal local decisions to a State Housing Appeals Board, which is to be activated in January of 2009.

Illinois Housing Development Authority (IHDA) is named the administering agency for the law, and is required to publish an annual list of exempt and non-exempt local governments beginning by October 1, 2004. This list defines non-exempt local governments as those with insufficient affordable housing, which are required to adopt affordable housing plans. IHDA hired an independent third party under contract (the University of Illinois at Urbana-Champaign, Building Research Council), and worked closely with this research staff to produce the needed data and report. The purpose of that report was to develop and apply a methodology, consistent with the provisions in the statute, to determine which local governments are exempt from the provisions relating to the development of an affordable housing plan and from the State Housing Appeals Board appeals process.

Please note that this process has determined that your municipality is non-exempt under this statute, per the attached list of non-exempt local governments which was excerpted from that report. A copy of the full report, along with IHDA's administrative procedures for implementing this new law, are attached to this letter. As such, each municipality which has been determined to have less than 10% of its total year-round housing stock deemed as affordable must develop and approve an affordable housing plan, consisting of at least the following:

- a statement of the total number of affordable housing units that are necessary to exempt the local government from the operation of this Act, as defined in Section 15 and Section 20;



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- an identification of lands within the jurisdiction that are most appropriate for the construction of affordable housing and of existing structures most appropriate for conversion to, or rehabilitation for, affordable housing, including a consideration of lands and structures of developers who have expressed a commitment to provide affordable housing and lands and structures that are publicly or semi-publicly owned;
- incentives that local governments may provide for the purpose of attracting affordable housing to their jurisdiction; and
- a goal of: a minimum of 15% of all new development or redevelopment within the local government that would be defined as affordable housing in this Act; or a minimum of a 3 percentage point increase in the overall percentage of affordable housing within its jurisdiction, as defined in Section 20 of this Act; or a minimum of a total of 10% of affordable housing within its jurisdiction.

Within 60 days after the local adoption of an affordable housing plan or revisions to its existing affordable housing plan (which must address these four elements), the non-exempt local government must submit a copy of that plan to IHDA. The law, as amended, now requires non-exempt local governments to adopt the affordable housing plan by April 1, 2005.

IHDA has made plans to hold an initial informational meeting to discuss this new law. That meeting is scheduled for Wednesday, August 25, 2004 (with registration starting at 12:30 P.M.), at Oakton Community College, 1600 East Golf Road, Illinois, Business Institute Building, Rooms 1608 and 1610, in Des Plaines. We anticipate the meeting to start by 1:30 P.M., and lasting approximately two hours. Maps, directions, and parking information are also attached to this letter. A representative from your City or Village is encouraged to attend. There are also a series of three more detailed workshops being planned for late September and early October, in collaboration with the Metropolitan Mayors Caucus and other non-profit and local government sponsors, at which IHDA will also participate. These dates & locations will hopefully be announced at our August 25th meeting.

In closing, please feel free to contact IHDA's Office of Housing Coordination Services (OHCS) at (OHCS) at 312/836-5383 in the mean time if you have specific questions or concerns. We look forward to working with your community in planning and developing affordable housing to meet your locally-determined needs.

Sincerely,

Kelly King Dibble
Executive Director

KKD/aw