

# **Illinois' 2018 Annual Comprehensive Housing Plan**

Plan Effective:

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Submitted To:

Bruce Rauner, Governor

And

The Illinois General Assembly

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## Housing Planning Activities in Illinois

This **Annual Comprehensive Housing Plan** is submitted in compliance with the Comprehensive Housing Planning Act (as amended P.A. 99-0564). Originally passed into law in 2006, the act was renewed and extended to 2026 through legislation signed into law by Governor Rauner in 2016. This statute establishes a statewide comprehensive housing initiative by identifying eight underserved **Priority Populations** and calls for the appointment of a **Housing Task Force** to improve the planning and coordination of State-administered housing resources. The Executive Director of the Illinois Housing Development Authority (IHDA) acts as Chair of the Housing Task Force and is joined by a panel of forty-four representatives, including housing experts appointed by the Governor and various State agencies.

The Housing Task Force recommends general direction to staff and occasionally proposes to establish Working Groups as needed to investigate specific housing needs and topical areas of concern. The recommendations reported by these Working Groups are intended to promote State and local actions and are incorporated into the **Technical Plan**, which is illustrated by Focus Area. To help clarify their intended purpose, each action item identified in each focus area is categorized under a broader strategy and associated with one of the **Housing Principles**. The Housing Task Force originally developed the Housing Principles to generally reflect: affordable housing produced (**Creation and Preservation**); services provided to the Priority Populations (**Affordability and Choice**); and promotion of long-term affordable housing goals (**Leadership**). Recommended efforts or program developments related to the Technical Plan are discussed near the beginning of the Annual Comprehensive Housing Plan and in its Annual Progress Reports. The discussion topics are grouped into Focus Areas in order to provide context and background information not readily found within the Technical Plan. An additional function of the plan is to catalog funding activity administered by the State for affordable housing construction, rehabilitation, preservation, subsidized home mortgages, operating or rental housing subsidies, and support services. This information can be found in the **Housing Production Plan** and the **Residential Services Plan**.

### Housing Task Force Vision Statement

To promote quality housing affordable to each household, with accessible and appropriate services where needed that supports individual and family success. Housing is an essential asset and economic engine for neighborhoods and is integral to the creation of robust communities for the citizens of Illinois.

### Illinois' Eight Priority Populations

1. Low-income households (with particular emphasis on households earning below 30% of area median income)
2. Low-income seniors
3. Low-income persons with disabilities
4. Homeless persons and persons at-risk of homelessness
5. Low- and moderate- income persons unable to afford housing near work or transportation (Live Near Work)
6. Low-income persons residing in existing affordable housing that is in danger of being lost or becoming unaffordable (Preservation)
7. Low-income people residing in communities with ongoing community revitalization efforts
8. Other special needs populations, including people with criminal records and veterans experiencing or at risk of homelessness.

## Introduction to 2018 Focus Areas

Each year the Housing Task Force identifies and recommends **action items** and **strategies** from the Technical Plan that it feels are likely to be implemented or will continue to develop in the coming year. When a new issue or activity arises, the Housing Task Force generally develops new action items and strategies to add to the Technical Plan. The active components of the Technical Plan are then grouped together and form the foundation of the annual Focus Areas. As a result, the Focus Areas represent topical trends in affordable housing policy and planning. The action items selected for each of the Focus Areas are taken from all three of the Housing Principles, reflecting the comprehensive approach to statewide challenges. Many action items are active for multiple years while the agencies and partners responsible pursue implementation, or decide on feasibility.

The most prevalent affordable housing challenges facing Illinois in 2018 are the local recovery from the foreclosure crisis/community revitalization, development cost reduction, expansion of accessible units, improving the use of energy efficiency, and supportive housing. As these are ongoing issues, the Housing Task Force has concentrated many of its efforts on those areas in the past several years. At this time, many of the efforts continue to show dividends and the 2018 Annual Comprehensive Housing Plan seeks to highlight how the strongest responses are being bolstered and that the additional gaps are being filled. The State's role as administrator, facilitator, and innovator will continue as the most efficient solutions are fostered. With this in mind, the Housing Task Force selected the following recommended Focus Areas for the 2018 Annual Comprehensive Housing Plan:

### **Revitalizing Communities**

Utilize current funding and explore new programs and initiatives to assist communities in developing a balance of affordable homeownership and rental opportunities, foreclosure prevention/mitigation, and expand innovative methods for sustainable reuse of foreclosed properties.

### **Supportive Housing**

Assist special needs populations and those transitioning into (or remaining in) community-based living settings with services that support their needs, including long-term care services and supports.

### **Innovative Use of Resources and Strategies**

Identify innovative techniques in accessible design for populations who require accessible features. Expand housing production for priority populations utilizing resources that contain or reduce costs of acquisition, development, and operations. Conduct research on energy efficiency cost savings and innovative strategies to promote the use of sustainability design techniques in affordable housing development.

### **Leadership and Capacity Building**

Enhance collaborative planning efforts to foster productive housing policy changes.

## Focus Area #1: Revitalizing Communities

From reducing the continued impact of the foreclosure crisis to establishing connections to jobs, education, and healthcare in areas where there previously was none, community revitalization can take on a variety of forms. While many efforts have been engaged (and will continue to be engaged) to address rebuilding what was lost, the Housing Task Force is proactively developing policies that impact the future of Illinois communities, bringing opportunity to new places throughout the state. Furthermore, the recently amended Comprehensive Housing Planning Act has identified low-income people residing in areas of ongoing community revitalization as a priority population, and the items included in this focus area seek to address their housing needs.

The **Revitalizing Communities Focus Area** draws from actions and strategies that are identified in this report's **Technical Plan**, which lays out the long-term planning goals of the Housing Task Force. In this Focus Area, two Technical Plan strategies provide the framework for current programs, and recommended efforts going forward. These strategies and their accompanying action items are listed on the following page.

## Focus Area #1: Recommended Technical Plan Strategies and Action Item

Strategies	Action Items	Partners	Principle(s)*
Create and assist community support network for the State.	Seek funding and operate home repair and homebuyer assistance programs as a method of maintaining affordability, preventing foreclosure and preserving single-family housing stock.	IHDA, DCEO, HUD USDA-RD, municipalities, counties, non-profits	CP
	Continue to seek funding and maintain a variety of counseling services; primarily foreclosure prevention and homebuyer counseling.	IHDA, housing counseling agencies, ILGA, NeighborWorks, HUD	CP
	Continue to operate foreclosure prevention and mitigation programs, i.e. HELP, I-Refi, Blight Reduction Program, Abandoned Properties Program.	IHDA, Local Governments, housing counseling agencies, non-profits	CP/AC
Assist communities to develop a balance of affordable homeownership and rental opportunities.	Continue to support responsible and affordable homeownership programs for low to moderate-income households.	IHDA, USDA, counseling agencies	AC
	Continue implementation of homeownership programs and pursue other funding opportunities for down payment assistance.	IHDA, HUD, FHLB, municipalities and counties, CDBG entitlement communities	CP
	Build and improve upon existing Community Revitalization Effort incentives in the QAP.	IHDA	CP
	Provide technical assistance via a Community Revitalization network or other methods to communities looking to provide robust community-level planning.	IHDA	L
* Creation and Preservation (CP), Affordability and Choice (AC), Leadership (L)			

## Housing Counseling Resources and Analyses

### Hardest Hit Fund

The U.S. Department of Treasury established the Hardest Hit Fund (HHF) in late 2010, allocating temporary emergency mortgage assistance through State Housing Finance Agencies (HFAs) to families and persons experiencing unemployment or underemployment. Financed through the Troubled Asset Relief Program (TARP), the Illinois Housing Development Authority (IHDA), the administrator of HHF for Illinois, was awarded approximately \$445.6 million that year. Following this initial award, IHDA received a second allocation in 2016 for \$269.4 million to relaunch and expand the HHF Program. Over the course of the program, IHDA has established five sub-programs with these funds: the Homeowner Emergency Loan Program (HHF HELP) including reverse mortgages, I-Refi (formerly the Home Preservation Program or HPP), the Mortgage Resolution Fund (MRF), the Down Payment Assistance Program (1<sup>st</sup>HomeIllinois), and the Blight Reduction Program (BRP).

IHDA has effectively assisted over 26,593 households through these programs.

- **Homeowner Emergency Loan Program (HELP)**

HELP provides temporary mortgage payment assistance to low and moderate-income families who experienced a 15 percent income reduction due to a hardship. The assistance comes in two ways: monthly mortgage payment assistance and reinstatement assistance. The initial HELP program ceased accepting new applications in October 2013, as there were sufficient numbers of approved applications on hand to fully allocate program funds and meet loan targets of 13,000.

With the second award from the U.S. Department of Treasury in 2016, the HELP program was expanded and relaunched on August 1, 2016. The program assists homeowners who have experienced an income reduction due to qualifying hardships such as; unemployment, substantial underemployment, temporary disability, death and divorce. Eligible homeowners receive up to \$35,000 in assistance for reinstatement and/or for mortgage payments up to 12 months. The relaunch of the program has already seen over 14,000 applications and funded 3,221 applicants.

On April 3, 2017 the HELP program expanded to assist homeowners with Reverse Mortgages. The expansion will assist homeowners with a reverse mortgage who have experienced a HELP qualifying hardship or a reverse mortgage specific hardship such as; household medical expenses increased substantially, household property expenses increased substantially, or monthly payments/line of credit ended. The expansion has already seen over 300 applications and funded over 93 applicants. In 2018, IHDA projects \$62,500,000 in funding commitments from the HHF HELP program.

- **I-Refi (Formerly Home Preservation Program or HPP)**

Introduced in 2012, HPP leveraged up to \$50,000 per participant to facilitate a permanent solution for troubled homeowners through a refinance, recast, or permanent modification of their first mortgage. The HPP program assisted homeowners who were ineligible for other assistance programs and were financially unable to make their mortgage payments due to a qualifying hardship. HPP has assisted 528 households.

With the second award from the Treasury in 2016, HPP was expanded and relaunched as I-Refi in August 2016 to target borrowers with negative equity who are current on their mortgage payments. The expansion and relaunch as I-Refi has assisted 271 households. . For more information on I-Refi, including 2018 funding estimates, please see program details under Homebuyer Programs on page 15.

- **Blight Reduction Program (BRP)**

Introduced in 2014, BRP aims to decrease preventable foreclosures and to stabilize neighborhoods in communities across Illinois. The program provides funding to units of local government and a not-for-profit partner to complete acquisition, demolition, greening, and eventual reuse, repurpose and/or redevelopment (“Revitalization”) of blighted, vacant, residential properties in targeted communities. Partners apply for the program with specific properties and are reimbursed up to \$35,000 for each property. To date, BRP reimbursed participants over \$3 million for 108 properties, with 304 properties in process. The program is expected to fund



a maximum of 455 demolitions. For more information regarding the BRP, including 2018 funding estimates, please see page 13 under the Reuse and Revitalization programs.

- **1stHomeillinois - Down Payment Assistance (DPA) Program**

1stHomeillinois complies with the U.S. Treasury initiative by utilizing HHF dollars to provide first-time homebuyers in ten targeted counties with \$7,500 in down payment assistance. The assistance is in the form of a 5-year, forgivable 2nd mortgage, and is provided in conjunction with an IHDA 1<sup>st</sup> mortgage loan product. The assistance incentivizes home buying in distressed areas, which helps to stabilize housing markets and prevent future foreclosures. To date, DPA has assisted 9,023 households totaling \$67.6 million in disbursed funds. For more information on 1stHomeillinois, including 2018 funding estimates, please see program details under Homebuyers programs on page 15.

### **National Foreclosure Mitigation Counseling Program**

The National Foreclosure Mitigation Counseling Program (NFMC) is administered at the federal level by NeighborWorks America through funds annually appropriated by Congress. NeighborWorks America provides funds to housing finance agencies (such as IHDA), HUD-approved intermediaries, and other counseling agencies to provide foreclosure mitigation counseling to homeowners at risk of foreclosure. Since its inception, NFMC has assisted over 2 million homeowners across the country.

In 2017, NeighborWorks announced the end of NFMC. Thus, IHDA completed its final funding Round (10) in June 2017. In total, IHDA received over \$17.5 million and provided assistance to approximately 45,000 homeowners through this program alone.

<b>National Foreclosure Mitigation Counseling Program (NFMC) Completed Funding Rounds</b>				
<b>Funding Round</b>	<b>Time Period</b>	<b>Money Awarded</b>	<b>Number of Agencies</b>	<b>Homeowners Served</b>
<b>Round 1</b>	June 2008 - April 2009	\$1.57M	15	3,858
<b>Round 2</b>	June 2009 - February 2010	\$3.09M	26	6,190
<b>Round 3</b>	March 2010 - November 2010	\$1.39M	39	3,300
<b>Round 4</b>	December 2010 - June 2011	\$1.45M	40	3,912
<b>Round 5</b>	September 2011 - March 2012	\$2.27M	35	6,065
<b>Round 6</b>	September 2012 - January 2013	\$1.73M	30	4,406
<b>Round 7</b>	August 2013 - June 2014	\$2.68M	30	6,775
<b>Round 8</b>	August 2014 - June 2015	\$1.97M	27	4,740
<b>Round 9</b>	August 2015 - June 2016	\$1.21M	27	4,134
<b>Round 10</b>	July 2016 - June 2017	\$409K	23	1,183
<b>2018 Projection</b>	N/A - Program Completed			

## Project Reinvest: Financial Capability Program (PRFC)

In June 2017, NeighborWorks America awarded IHDA \$1.1 million to administer the Project Reinvest: Financial Capability Program (PRFC) throughout Illinois. PRFC's goal is to provide financial capability counseling to individuals who are at risk of foreclosure, recovering from a foreclosure, or assist those who are rebuilding after the foreclosure crisis. These funds assist clients in stabilizing their finances, rebuilding their credit, and establishing long-term savings. Funding for this program is derived from the U.S. Department of Justice foreclosure settlement funds. IHDA's Board passed a resolution in September 2017 to allow approval for entering into agreements with 19 housing counseling agencies.

Project Reinvest: Financial Capability Program (PRFC) Current Funding Rounds				
Funding Round	Time Period	Money Awarded	Number of Awards	Clients Assisted
Round 1	November 2017 – November 2018	\$1.12M	19	2,227 (expected)
<b>2018 Projection</b>	<i>Round 1 is expected to be fully completed in CY 2018, disbursing \$1.06 million, and assisting an expected 2,227 clients.</i>			

## Foreclosure Prevention Program

The Illinois Foreclosure Prevention Program (FPP), established by the Illinois General Assembly, is funded by a \$50 filing fee the plaintiff pays each time a foreclosure is filed. The funds are appropriated to the Illinois Department of Revenue by the General Assembly. Under this program, the Authority makes grants to HUD approved housing counseling agencies and community-based organizations to support housing counseling and foreclosure prevention outreach in accordance with the below statutorily required distribution:

- 25% to counseling agencies outside the City of Chicago,
- 25% to the City of Chicago for counseling agencies in Chicago or for foreclosure prevention counseling administered by the City.
- 25% to community-based organizations outside the City of Chicago,
- 25% to community-based organizations in Chicago, and

Foreclosure Prevention Program (FPP) Completed and Current Funding Rounds				
Funding Round	Time Period	Money Awarded	Number of Awards	Estimated Clients Assisted
Round 1	June 2012 – June 2013	\$3.8M	40	39,869
Round 2	June 2013 – June 2014	\$3.4M	45	35,762
Round 3	August 2014 – August 2015	\$3.1M	50	35,524
Round 4	April 2017 – April 2018	\$4.1M	40	19,319 to date
<b>2018 Projection</b>	<i>Round 4 is expected to be fully completed in CY 2018, disbursing approximately \$4.1 million. Round 5 is expected to close with grantees in CY 2018 Q2. A total 35,268 individuals are estimated to be assisted in CY2018.</i>			

## Foreclosure Prevention Program – Graduated (FPPG)

Established by the Illinois General Assembly, the Foreclosure Prevention Program: Graduated (FPPG) enables IHDA to make grants to HUD-approved housing counseling agencies for foreclosure prevention-related activities including; pre/post purchase counseling, foreclosure mitigation, counselor training, and capacity building. Funding for this program is derived through plaintiff-paid foreclosure filing fees. IHDA began the administration of this program's first funding round in calendar year 2017.

Foreclosure Prevention Program: Graduated (FPPG) Current Funding Rounds				
Funding Round	Time Period	Money Awarded	Number of Awards	Clients Assisted
Round 1	September 2017 – September 2018	\$5.7M	33	2,286 to date
<b>2018 Projection</b>	<i>Round 1 is expected to be fully completed in CY 2018, disbursing approximately \$5.7 million. Round 2 is expected to close with grantees in CY 2018 Q3. A total 31,920 individuals are estimated to be assisted in CY2018.</i>			

## Cook County Foreclosure Mediation Program (CCMFMP)

The Cook County Mortgage Foreclosure Mediation Program (CCMFMP) was established in April 2010 in response to the economic recession and related mortgage crisis as an effort to assist Cook County families in foreclosure. On November 30, 2017, the final funding Round (5.1) of CCMFMP was completed. For more details on this program, please see the upcoming 2017 Annual Progress Report.

## Reuse and Revitalization

### Abandoned Properties Program

The Abandoned Properties Program (APP) was created in 2010 by the Illinois General Assembly. Funded through foreclosure filing fees under the Abandoned Residential Property Municipality Relief Fund (ARPMR), APP provides grants to municipalities and counties to secure, maintain, demolish, and rehabilitate abandoned residential properties within their jurisdiction. Qualifying applicants may be awarded up to \$250,000 in grant funds per application cycle, with the exception of the City of Chicago who can apply for up to 25% of the moneys in the fund, pursuant to the program rules. Maximum grant amounts are determined based on the geographic set-aside that applicants fall within. By statute, allocations will be distributed as follows:

- 25% to the City of Chicago,
- 30% to Cook County and municipalities in Cook County other than the City of Chicago,
- 30% to the Collar Counties (DuPage, Kane, Lake, McHenry, and Will) and municipalities within those counties, and
- 15% to other areas of the state.

Abandoned Residential Property Municipality Relief Program (APP) Completed and Current Funding Rounds				
Funding Round	Time Period	Money Awarded	Number of Awards	Unique Properties Receiving Services
Round 1	August 2014 - August 2016	\$7.21M	52	2,484
Round 2	August 2017 - May 2019	\$9.55M	67	185 to date
Round 3	March 2018 – March 2020 (Expected)	TBD	TBD	TBD
<b>2018 Projection</b>	<i>Round 2 is expected to be near completion in CY 2018, disbursing approximately \$8.75 million, and affecting approximately 3,379 properties. Additionally, determinations for Round 3 will be completed early in CY 2018. Funding amounts for Round 3 have not yet been determined.</i>			

### Blight Reduction Program

The Blight Reduction Program (BRP) is funded through the U.S. Treasury's Hardest Hit Fund, a federal allocation which was set up to provide aid to communities demonstrating the greatest need after the foreclosure crisis. BRP provides forgivable loans to Illinois units of local government who partner with nonprofit agencies to acquire and demolish blighted properties within their jurisdictions. Program applicants are allowed to apply for a maximum of \$35,000 per residential property. In 2018, IHDA projects an allocation of \$5,244,912 for the Blight Reduction Program.

Blight Reduction Program (BRP) Completed and Current Funding Rounds				
Funding Round	Time Period	Money Awarded	Number of Awards	Unique Properties Receiving Services
Round 1	June 2015 - September 2017	\$5.39M	15	95 to date
Round 2	June 2016 – May 2018	\$10.53M	15	12 to date
<b>2018 Projection</b>	<i>Payouts under Round 1 will be completed in CY 2018, disbursing approximately \$1.1 million towards an additional 39 properties. Round 2 is also expected to be completed in CY 2018, disbursing a total of approximately \$4.14 million towards an additional 177 properties.</i>			

### Land Bank Capacity Program (LBCP) and Technical Assistance Network (TA Network)

The Land Bank Capacity Program (LBCP) and Technical Assistance Network (TA Network) were established as the result of funding provided through a national foreclosure settlement secured by the Illinois' Attorney General, in conjunction with other state attorneys general, the U.S. Department of Justice and the U.S. Department of Housing and Urban Development, with the nation's largest banks. These resources were formulated to provide access to funding and technical assistance for the creation and operation of land banks to communities in Illinois outside the Chicago metropolitan area. The funding is administered through the Illinois Attorney General's Office.

Land Bank Capacity Program Eligible Grant Activities include the following:

- Develop and submit to the applicable governing body documentation sufficient to form a land bank
- Off-set related legal expenses and holding costs in connection with on-going land bank creation,
- maintenance and other activities provided such fees are reasonable
- Fund reasonable start-up costs (including staffing and legal fees for land bank creation), and initial
- acquisitions of 1-6 unit residential properties (including manufactured homes taxed as real property with a permanent foundation and no hitch or wheels). Property acquisition costs may include:

- Purchase price
- Lien extinguishment (excepting property taxes, which are not eligible)
- Legal costs
- Title, recording, and transfer fees
- Demolition costs
- Costs of lot treatment and greening
- Redevelopment and disposition of vacant and abandoned properties in order to return them to affordable housing and other productive use

TA Network Eligible Grant Activities include the following:

- Providing individualized planning, real estate and other assistance
- Conducting webinars for Downstate communities looking to form land banks/access community
- revitalization tools for programs available via IHDA or others
- Creating, updating, and/or disseminating video tutorials to be made available via IHDA's website, or otherwise made available to Recipients of TA Network funds
- Creating, updating, and/or disseminating print media packages regarding land banks

Both the LBCP and TA Network will assist communities by providing grant funds to help empower local and regional revitalization efforts by increasing planning and land banking capacity. The initial request for applications for LBCP and TA Network was released in November 2017.

<b>Land Bank Capacity Program (LBCP) and Technical Assistance Network (TA Network)</b> <b>Current Funding Rounds</b>				
<b>Funding Round</b>	<b>Time Period</b>	<b>Money Awarded</b>	<b>Number of Awards</b>	<b>Land Banks Created or Assisted</b>
<b>Round 1</b>	June 2018 – TBD	\$1.8M (Expected)	TBD	TBD
<b>2018 Projection</b>	<i>Applications and award determinations under Round 1 are expected to begin in CY 2018. Number of awards and award amounts are yet to be determined.</i>			

## Land Banking

A number of Illinois Housing Task Force members have been involved in the creation and initial planning for two land banks in the Chicago metropolitan area: the Cook County Land Bank Authority (CCLBA), and the South Suburban Land Bank and Development Authority (SSLBDA). These entities were created to acquire, maintain, and build or rehabilitate abandoned properties in communities affected by property abandonment and/or which desire to develop affordable housing. After properties are rehabilitated, they are sold with affordability deed restrictions attached, and proceeds earned are recycled to continue the process.

In 2013, the CCLBA utilized \$6 million awarded from a \$70 million National Foreclosure Settlement Program to support its community revitalization efforts in the start-up of its land bank. These funds also supported the already existing South Suburban Land Bank, which was formed in 2012 through an intergovernmental agreement passed by the Village of Park Forest, City of Oak Forest and City of Blue Island, and made possible by a HUD Sustainable Communities Grant awarded to the South Suburban Mayors and Managers Association (SSMA) in 2011. SSMA helped establish and provide technical assistance for the SSLBDA.

Since 2013, both land banks have partnered with IHDA, utilizing funds awarded from the Abandoned Properties Program and Blight Reduction Program, to assist in securing, maintaining or demolishing properties. Both the Cook County Land Bank Authority, and South Suburban Land Bank and Development Authority continue to partner with several municipalities to coordinate rebuilding efforts. The CCLBA has mostly targeted neighborhoods in Chicago's South and West Side, while SSLBDA has targeted South Suburban municipalities.

## Homebuyer Programs

### @Homellinois

IHDA launched @Homellinois in March 2015. The program targets first-time and repeat homebuyers. @Homellinois offers buyers a repayable 2<sup>nd</sup> mortgage of \$5,000 in down payment assistance (DPA) with a 30-year fixed rate 1<sup>st</sup> mortgage. IHDA projects committing \$900,000 of DPA through @Homellinois to assist approximately 180 households to obtain 1<sup>st</sup> mortgages totaling \$21 million in CY 2018. IHDA plans to close the @Homellinois Program in February of 2018.

### 1<sup>st</sup> Homellinois

IHDA launched the 1<sup>st</sup>Homellinois loan program in August 2015. The U.S. Treasury approved IHDA to utilize its Hardest Hit Fund (HHF) resources to assist qualified homebuyers in the following ten targeted counties hit hard by the foreclosure crisis: Boone, Cook, DeKalb, Fulton, Kane, Marion, McHenry, St. Clair, Will, and Winnebago. IHDA targeted these counties as they are above the state average in distressed housing market indicators such as delinquency rates, negative equity and foreclosure rates. The program provides \$7,500 in down payment assistance with a secure, 30-year fixed rate 1<sup>st</sup> mortgage. IHDA projects committing \$21.75 million of DPA through 1<sup>st</sup>Homellinois to assist approximately 2900 households to obtain 1<sup>st</sup> mortgages totaling \$380 million in CY 2018.

### I-Refi

IHDA launched the I-Refi program in August 2016. The program is designed to help homeowners who have been current on their mortgage payments for at least twelve months and are at least 110% underwater on their current mortgage. I-Refi offers up to \$50,000 in federal assistance, funded through HHF, to buy down a mortgage and refinance into an affordable 30-year fixed rate 1<sup>st</sup> mortgage. Borrowers who have previously utilized HHF may be eligible for an additional \$35,000 for a total of \$85,000. IHDA projects committing \$14.8 million of DPA through I-Refi to assist approximately 400 households to obtain 1<sup>st</sup> mortgages totaling \$41 million in CY 2018.

### Access 4%

IHDA plans to launch Access 4% in February 2018. The program is designed to increase home purchase accessibility by offering a forgivable 2<sup>nd</sup> mortgage of 4% of the purchase price (up to \$6,000) in down payment and/or closing cost assistance with a 30-year fixed rate 1<sup>st</sup> mortgage to qualified households across Illinois. IHDA projects committing \$18 million of DPA through Access 4% to assist approximately 3000 households to obtain 1<sup>st</sup> mortgages totaling \$385 million in CY 2018.

### Access 5%

IHDA plans to launch Access 5% in February 2018. The program is designed to increase home purchase accessibility by offering a repayable 2<sup>nd</sup> mortgage of 5% of the purchase price (up to \$7,500) in down payment and/or closing cost assistance with a 30-year fixed rate 1<sup>st</sup> mortgage to qualified households across Illinois. Repayment will be deferred for 30 years, unless repaid sooner, or in the event of a refinance or sale of the property, at which time the funds will become due. IHDA projects committing \$3.75 million of DPA through Access 5% to assist approximately 500 households to obtain 1<sup>st</sup> mortgages totaling \$65 million in CY 2018.

### Access 10%

IHDA plans to launch Access 10% in February 2018. The program is designed to increase home purchase accessibility by offering a repayable 2<sup>nd</sup> mortgage of 10% of the purchase price (up to \$10,000) in down payment and/or closing cost assistance with a 30-year fixed rate 1<sup>st</sup> mortgage to qualified households across Illinois. Repayment of the 2<sup>nd</sup> is monthly amortizing over a 10-year period at 0% interest rate. IHDA projects committing \$8 million of DPA through Access 10% to assist approximately 800 households to obtain 1<sup>st</sup> mortgages totaling \$100 million in CY 2018.

### USDA Rural Development 502 Loan Program

USDA Rural Development Section 502 low interest direct loans are primarily used to help low-income individuals or households purchase homes in rural areas. Funds can be used to build, repair, renovate or relocate a home,

or to purchase and prepare sites, including providing water and sewage service connections. Borrowers generally must meet low to moderate-income eligibility requirements.

USDA Rural Development also offers Section 502 loan guarantees through local participating lenders, which have been used very successfully in conjunction with IHDA's aforementioned loan products. Applicants for loans may have an income of up to 115% of the median income for the area. Families must be without adequate housing, but be able to afford the mortgage payments, including taxes and insurance, and have reliable credit histories.

In 2017, the USDA Rural Development committed \$18.8 million towards its rural homeownership direct loans, which provided 256 direct loans to very low- and low-income rural families, those who are below 80% AMI. The USDA Rural Development committed \$343 million towards guaranteed rural housing loans, which assisted 3,515 low- and moderate-income rural families. The latter program has worked very successfully with IHDA's Home Ownership programs.

Rural Development will continue to provide financing options to Rural Illinois in 2018.

### **Habitat for Humanity - Community Impact Fund**

The Illinois Housing Development Authority (IHDA) established a partnership with Habitat for Humanity of Illinois (HFH) in 2014 to facilitate homeownership opportunities for low- and very low-income families throughout the state. HFH sub-grants IHDA funding through an application to its statewide affiliates.

Funded through the Illinois Affordable Housing Trust Fund, the program provides 2<sup>nd</sup> mortgage forgivable loans to low income households for the purposes of home acquisition, construction and/or rehabilitation. 1<sup>st</sup> mortgage financing is provided through Habitat for Humanity and/or other conventional lenders. Households at or below 80% AMI are eligible to receive \$15,000 and households at or below 50% AMI are eligible to receive \$20,000. Assistance is provided as a 5-year forgivable loan.

<b>Habitat for Humanity: Community Impact Fund (HFH) Completed, Current, and Planned Funding Rounds</b>				
<b>Funding Round</b>	<b>Time Period</b>	<b>Money Awarded</b>	<b>Number of Awards</b>	<b>Homeowners Assisted</b>
<b>Round 1</b>	August 2014 - August 2016	\$750K	1	58
<b>Round 2</b>	October 2016 – October 2018	\$1M	1	52

## **Home Repair Programs**

### **Single Family Rehabilitation Program**

Funded by the Illinois Affordable Housing Trust Fund, IHDA's Single Family Rehabilitation Program (SFR) provides assistance to low-income and very low-income homeowners for the purpose of repairing their homes and removing health and safety hazards by replacing costly maintenance items. SFR grants awards to units of local government and non-profit agencies, which work to reserve and oversee forgivable loans for individual households within their community. Households receiving loans must be at or below 80% of the area median income (AMI), and are eligible to receive up to \$45,000 in assistance. SFR Non-CDBG entitlement communities throughout Illinois compete for available funding. Ineligible areas include:: Aurora, Chicago, Decatur, Evanston, Rockford, Springfield, McHenry County, the Consortia of Cook County, DuPage County, Lake County, Kane County, Madison County, St. Clair County, Urbana, St. Clair County, and Will County.



Single Family Rehabilitation Program (SFR) Current Funding Rounds				
Funding Round	Time Period	Money Awarded	Number of Awards	Loans Reserved
Round 1	April 2017 – April 2019	\$5.99M	21	67 to date
<b>2018 Projection</b>	<i>Round 1 is expected to be at least 75% completed in CY 2018, disbursing approximately \$4.5 million in the funding of approximately 100 loans. Additionally, a second application round under this program is expected to be released in CY 2018.</i>			

### Chicago Rehabilitation Network Technical Assistance Grant

Administered by IHDA's Community Affairs Department through the Illinois Affordable Housing Trust Fund, the 2017 Technical Assistance Grant awarded \$225,000 to the Chicago Rehabilitation Network to help expand the capacity building, public policy, and civic engagement work that provides a comprehensive approach to strengthening the affordable housing industry. This TA Grant helps increase training, outreach, and marketing to ensure full utilization of State and federal housing funds to benefit households and communities throughout the state.

### Community Development Block Grant Housing Rehabilitation Program

Administered by Department of Commerce and Economic Opportunity (DCEO), the Community Development Block Grant Housing Rehabilitation Program (formerly known as the Community Development Assistance Program - CDAP) helps eligible local governments assist income-eligible homeowners (for non-entitlement areas of the state). This financial assistance provides funds for necessary repairs and improvements to their homes in order to eliminate health and safety problems, correct building code violations, and to preserve the long-term integrity of the homes. The housing rehabilitation is completed by local contractors who have been selected by competitive bid and who have met all insurance requirements.

DCEO projects committing \$6,750,000 to the program in 2018.

### Rental Housing Development and Rental Assistance

IHDA operates a number of rental housing programs, which promote the development and preservation of affordable housing.

### Low Income Housing Tax Credit (LIHTC) Program

The LIHTC Program is a federal tax credit used to finance the development or redevelopment of affordable rental housing for low-income households (at 60 percent area median income or below). The Internal Revenue Service allocates federal tax credits to State HFAs, which then award the credits to eligible affordable housing developments who use the equity generated from the sale of the tax credits to lower the debt burden. Units must maintain affordable rents for at least 30 years.

There are two types of low-income housing tax credits: 9 percent tax credits, and 4 percent tax credits. Nine percent tax credits (known as the competitive tax credit) are allocated to the State based on an IRS funding formula, and can subsidize up to 70 percent of the eligible development costs for new construction and substantial rehabilitation of housing projects that are not otherwise subsidized by the federal government. Four percent tax credits are generated through issuance of tax-exempt private activity bonds and can be used for acquisitions/rehabilitation projects and when 50 percent or more of a project's eligible cost are financed with tax-exempt private activity bonds.

The 2018-2019 Qualified Allocation Plan (QAP), which explains how the State plans to distribute its Low Income Housing Tax Credits was finalized and submitted to the Governor in October 2017 for approval. Applications for both 9 percent and 4 percent tax credits must meet the mandatory requirements of the QAP. Applications for 9



percent tax credits are subject to a competitive process and receive points based on the scoring section of the QAP.

The 2018-2019 QAP again includes Community Revitalization Strategies scoring criteria, which aims at preserving existing affordable housing in distressed community areas where there is an active redevelopment effort ongoing, allowing for the greatest amount of choice for low-income households to access quality housing. The Community Revitalization scoring is intended to incentivize local planning efforts, which are likely to lead to access to employment, healthcare and supportive services, community amenities such as parks and retail locations, transportation and the improvement of quality housing stock. Nine percent tax credits applications can earn up to ten points for establishing Community Revitalization Strategies.

The 2018-2019 QAP also includes an Affordability Risk Index tool. The Affordability Risk Index tool provides a point-based incentive in the QAP for developers to preserve affordability in areas that are gentrifying and becoming less affordable at a faster rate. The Affordability Risk Index tool is a Census Tract-based tool. Census Tracts where affordability loss risk is greatest receive the highest points in this index. Nine percent tax credits applications meeting the Affordability Risk Index can earn up to five points.

Both 4 percent- and 9 percent tax credit applications must first be approved through a Preliminary Project Assessment (PPA), which provides basic information such as project concept and design, location and proposed tenant population. In 2018 the Authority expects to allocate 23,500,000 in 9 percent and 58,725,000 in 4 percent Low Income Housing Tax Credits. Below are 2018 LIHTC Program application deadlines.

2018 LIHTC Program Application Deadlines	
9% LIHTC Program Timeline	
2018 PPA Round	01/2/2018
2018 LIHTC Application	03/02/2018
4% LIHTC Program Timeline	
PPA	90 days prior to 4% determination request
4% Tax Credit Application	Accepted any time

### HOME/Affordable Housing Trust Fund (AHTF)

Since 2016, IHDA has been designated as a direct Participating Jurisdiction, which gives IHDA the ability to directly draw down HOME funds for approved applications.

Per the HOME federal authorizing statute, 15 percent of each grantee's annual allocation must be obligated/expended on Community Housing Development Organizations (CHDOs), a specific type of non-profit entity defined by HUD rules. CHDO funds can only be used to fund single-family acquisition/rehab/resale programs and rental housing development. IHDA plans to continue to concentrate CHDO funding on the latter types of projects.

Funding for the HOME Program at the federal level has been cut drastically, reducing the funds IHDA receives on an annual basis by over 40%. Despite the reduction in available funding, IHDA has continued to receive a significant number of requests for HOME financing and currently has a sizeable pipeline of multifamily projects. IHDA's 2018 HOME allocation is \$11,458,619. IHDA only funds multi-family projects with HOME funds. The estimated multi-family committed funding amount for the Affordable Housing Trust Fund in 2018 is \$33,923,217.

Similarly, demand for Affordable Housing Trust Fund (AHTF) financing also regularly exceeds its availability in Illinois. Multi-family projects proposing to use Trust Fund dollars will be prioritized on those projects receiving

funding from other sources, as well as those projects, which are ready to proceed. As such, IHDA has established the following maximum request for multi-family applications requesting HOME and AHTF resources:

- City of Chicago, Chicago Metro and Other Metro Set-Asides: Projects may apply for up to 15% of total development cost.
- Non-Metro Set-Asides: Projects may apply for up to 25% of total development cost.

IHDA's 2018 Affordable Housing Trust Fund allocation is \$40,000,000.

### **IHDA/HUD – Risk Share Mortgage with U.S. Treasury Investment (FFB) Mortgage**

In June 2014, the U.S. Treasury announced a new partnership with the U.S. Department of Housing and Urban Development. Under this new partnership, the Federal Financing Bank (FFB) provides financing for multi-family loans insured under FHA's Risk Sharing Program. The Risk Sharing Program, pursuant to Section 542 of the Housing and Community Development Act of 1992, allows IHDA to originate affordable housing mortgage loans and share the risk with HUD via FHA mortgage insurance on the loan. The goal is to expand access to FHA mortgage insurance and manage additional risk taken on by the Federal government. For each Risk Sharing loan, HUD and IHDA split the mortgage insurance premium based on the percentage of risk that each party assumes.

These loans support the development and preservation of affordable rental housing and will allow housing finance agencies (HFAs) like IHDA to have more access to the capital needed to maintain affordable multifamily developments. This partnership significantly lowers interest rates compared to the cost of tax-exempt bonds under current market conditions.

In July 2015, the IHDA Board authorized the Authority's participation in the Federal Financing Bank (FFB) Risk Sharing Initiative. As a result of this partnership, IHDA is able to provide capital at reduced rates otherwise unavailable in the current market. By utilizing this new loan product alongside taxable first position mortgages, IHDA has preserved more than 2100 units of affordable housing through 2017. The projected volume for this program in 2018 is \$75 million.

### **Affordable Advantage Mortgage**

Affordable Advantage provides permanent first mortgage financing up to \$10 million for new construction, refinance or acquisition/minimal rehabilitation. The projected volume for this program in 2018 is \$10 million. Loans over \$3 million will include FHA Risk Share. IHDA will determine whether or not FHA Risk Share will be required on loans under \$3 million.

### **Credit Advantage Mortgage**

Credit Advantage provides construction and permanent mortgage loan financing for Low Income Housing Tax Credit (LIHTC) projects awarded by IHDA or the City of Chicago. The maximum loan amount is \$10 million. The projected volume for this program in 2018 is \$50 million. Loans over \$3 million will include FHA Risk Share. IHDA will determine whether or not FHA Risk Share will be required on loans under \$3 million.

### **One-Stop PLUS**

One Stop PLUS is a new 4% bond structure, which provides a short-term, interest-only tax-exempt loan arranged by IHDA along with a permanent, taxable IHDA Federal Financing Bank (FFB) Mortgage with up to a 35-year fully amortizing loan term. The first mortgage is fully funded at closing and used to collateralize the short-term tax-exempt loan. Full principal and interest payments begin at the initial closing and continue throughout the construction and permanent periods for the FFB First Mortgage. Certain conditions have to be met in order for the first mortgage to be insured under the FFB program, including a maximum rehabilitation limit of \$40,500 per unit and only one major building system replacement allowed.

## National Housing Trust Fund (NHTF)

The National Housing Trust Fund (NHTF) was authorized under the Housing and Economic Recovery Act of 2008, with its major purpose being to increase and preserve rental housing and homeownership opportunities for extremely low income (30% AMI or less) and very low income (50% AMI or less) households. NHTF was established as a permanent federal program, with dedicated sources of funding coming from a percentage of after-tax profits from the Government Sponsored Enterprises (GSEs) Fannie Mae and Freddie Mac, which are not subject to the appropriations process. Unfortunately, in September 2008, both Fannie Mae and Freddie Mac were taken over by the Federal Housing Finance Agency (FHFA) when they experienced financial troubles due to the foreclosure crisis. As a result, contributions to the NHTF were suspended for the time period from when they were under federal receivership until 2015.

State housing agencies are the only direct grantees under the program. Under HUD rules, each State is required to prepare an annual Allocation Plan describing how it will distribute NHTF resources based on its priority housing needs as is identified in the State's Consolidated Plan, (ConPlan). States must use at least 80% of all funds (or 90% of program funds) for rental housing/renters. IHDA may use up to 10% of remaining program funds for homeownership assistance. IHDA has decided to use 90% of all funds (100% of all program funds) for rental housing. There is also an allowance to use up to 10% of all funds for general administration and planning costs. IHDA uses said funds for this purpose.

In years when the national funding level falls below \$1 billion, 100% of program funds must be used to benefit extremely low-income households, defined as 30% of area median income or less. That was the case with both 2016 and 2017. Under its 2016 allocation, IHDA received \$4, 310,055. This grant was not approved by HUD until late fall of 2016. Under the 2017 allocation, IHDA was awarded \$7,163,487, and just received that HUD grant agreement in early December of 2017. The first NHTF-funded project was Pearl Street Apartments, a 25-unit permanent supportive housing project located in McHenry, which utilized most of the 2016 funding.

## Rental Housing Support (RHS) Program

The Rental Housing Support (RHS) Program was created in July 2005 to provide rental assistance by subsidizing rental housing units. It is a unit-based program targeting households who are at- or below 30 percent of the area median income with 50 percent of the resources available for extremely low-income households who are at or below 15 percent of their area median income. IHDA administers the program overall, but contracts with Local Administering Agencies (LAAs) around the state who manage the program in their communities, including finding and screening tenants.

The Rental Housing Support Program receives its funding from a \$10 charge on real estate document recording fees collected at the county level, with one dollar of the fee retained by the county. In May 2015, the Illinois Supreme Court overturned a 2011 court ruling that found the \$10 fee collected by the counties unconstitutional.

Once drawn, the available funds support the addition of new Long Term Operating Support (LTOS) Program units. The LTOS program is part of the Rental Housing Support Program intended for affordable housing developments. The goal of the LTOS program is to increase the supply of affordable housing to households earning at or less than 30 percent of area median income by providing a long-term, unit-based rent subsidy. IHDA projects committing \$9,640,527 to the RHS program in 2018. Please see *Focus Area #2: Supportive Housing*, for further details on the RHSP – Long Term Operating Support part of this program. Listed below are the local administering agencies who currently work with the RHS Program and the areas that each covers.

Local Administering Agencies (LAAs)	
Agency Name	Service Area
Affordable Housing Corporation of Lake County	Lake County
CEDA	Suburban Cook County
DuPage Housing Authority	DuPage County (excluding Aurora)
Housing Authority of Henry County	Henry, Bureau, and Stark County
Housing Choice Partners	Suburban Cook County
Illinois Association of Community Action Agencies	Henry, Mercer, Rock Island, Boone, Winnebago, Adams, Brown, Pike, Schuyler, Edwards, Gallatin, Hamilton, Saline, Wabash, Wayne, White, Bond, Clinton, Marion, Washington, Clay, Effingham, Fayette, Shelby, Moultrie, Christian, Montgomery, Franklin, Williams, Jefferson, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Jasper, Lawrence, Richland, Bureau, Carroll, LaSalle, Lee, Marshall, Ogle
Kankakee County Housing Authority	Kankakee and Will County
Kendall Housing Authority (handled by DuPage Housing Authority)	Kendall and Grundy County (excluding Aurora and Joliet)
Lazarus House	Kane County
Madison County Community Development	Madison County
McHenry County Housing Authority	McHenry County
Rock Island Housing Authority	City of Rock Island
Springfield Housing Authority	City of Springfield
St Clair County IGD	St Clair County

## Housing and Economic Development

### LIHTC Community Revitalization Plans

IHDA reviews Community Revitalization Strategies to explore how affordable housing can become incorporated in the overall economic development efforts in high-poverty and/or rural areas. Since 2012, when IHDA began using Preliminary Project Assessments (PPAs) as a way to pre-review site and market concerns, IHDA has been able to draw out specific data on the markets. IHDA uses these data to examine concentrations of poverty and affordable housing and our policy allows us to look beyond the data to determine whether IHDA investment in less than ideal markets can help increase access to living wage jobs, education, services, and transit for low-income residents, rather than continuing to isolate low-income residents in low-opportunity areas. Detailed Community Revitalization Plans are an integral part of this process and help IHDA find opportunities outside of opportunity areas. As such, IHDA provides scoring incentives to developers who contribute to larger revitalization efforts in their community, and the IHDA Community Revitalization Planning Specialists provide technical assistance in this area to developers and communities throughout the state of Illinois, resulting in higher quality applications that fit into a larger vision for the community.

The 2018-2019 Qualified Allocation Plan (QAP) specifies how IHDA will review, approve, and allocate federal Low Income Housing Tax Credits (LIHTCs). When scoring proposed projects, the QAP provides points to projects meeting certain criteria. Proposed projects that submit locally adopted community revitalization strategy documentation are currently eligible to receive up to ten points (out of a possible 100 points) in the 2018-2019 QAP if they address concentration of affordable housing, promote mixed-income housing, and if they demonstrate a realistic strategy and implementation plan to increase access to living wage employment, health care services, and community amenities. Requirements and scoring criteria are posted on the IHDA website. Over the past three LIHTC funding rounds for which Community Revitalization was a scoring category, IHDA has seen considerable growth in the number of proposed projects submitting planning documentation, increasing from 10 applicants in the first LIHTC round of 2016, to 25 applicants in the 2017 round.

For the purposes of the Low Income Housing Tax Credit, federal guidelines require proposed projects to submit Community Revitalization Strategies documentation if the project is located in a Qualified Census Tract (QCT) or a Racially/Ethnically Concentrated Area of Poverty (R/ECAP). QCTs are census tracts, designated by the U.S.

Department of Housing and Urban Development (HUD), with a poverty rate of 25% or in which 50% of the households have incomes below 60% of the area median income. Additionally, QCT projects are eligible for up to a 30 percent boost in eligible basis, resulting in a significantly larger credit allocation if approved. R/ECAPs, also designated by HUD, are census tracts that have a non-white population of 50% or more and in which 40% or more of the population lives at or below the federal poverty line.

Developers must submit all Community Revitalization Strategy documentation with their proposed project application in order to be scored in this area. The Revitalization Strategy must be not more than ten years old, including any updates and should address realistic implementation, specific timelines and budgeting. Acceptable planning documents include, but are not limited to, comprehensive plans, land bank authority plans, transit oriented development plans, inter-jurisdictional plans and other locally designated and approved plans. Additionally, the Revitalization Strategy must include housing policy goals and address economic development and job creation efforts.

## Focus Area #2: Supportive Housing

This Focus Area aims to assist special needs populations and those transitioning into (or remaining in) community-based living settings with services that support their needs, including long-term care. This section will also include planned actions by category in 2018, as well as an update on housing and health care.

This focus area has become increasingly complex. Besides focusing on persons with disabilities, IHDA, as a housing finance agency, and other service provider agencies are frequently called upon to assist with meeting the housing needs of other special needs populations. IHDA has funded housing for special needs populations for a number of years, including people experiencing or at-risk of homelessness, frail elderly, youth aging out of foster care or child-welfare involved youth, veterans, and survivors of domestic violence, re-entry populations, and persons living with HIV/AIDS. IHDA plans to continue to work jointly with other State agencies, housing and services providers and within existing committees and advisory groups to gather information on the population, housing needs and existing housing inventory available for all of these groups. In addition, the Housing Task Force reconvened its Supportive Housing Working Group to update its report from 2008 to fully include all of these special needs populations. This Focus Area also covers in depth the State's major efforts in Healthcare and Human Services Transformation in the chart and narratives included in below.

## Focus Area #2: Recommended Technical Plan Strategies and Action Item

Strategies	Action Items	Partners	Principle(s)*
Identify ways to stabilize supportive housing resources, such as Medicaid, for supportive housing services, and identify savings from people moving out of institutional care or high medical needs now in supportive housing, for the purpose of increasing housing production.	Review current supportive housing resources at the state and federal level and assess the current financial health of existing PSH projects that previously received state funding and project future supportive housing service needs.	IHDA, IDHS, IDoA, HTF-SHWG, IDHFS	L, CP
	Explore opportunities to leverage and coordinate commitments and benefits for supportive housing from other systems that serve high-need populations.	IHDA, IDHS, IDHFS, IDoA	L
Maximize use of funding sources to serve the housing and service needs of elderly and special needs populations living in community-based housing.	Continue exploring Medicaid waiver resources to support housing through services and savings for persons with mental illness and/or DD, and supporting the State's move to Managed Care/Coordinated Care Program.	IHDA, SHWG, IDHFS	L
	Explore the options available to create Medicaid-funded Housing Pre-Tenancy and Tenancy Sustaining Services across vulnerable populations.	IHDA, IDHS, IDHFS, IDoA	L
Incentivize affordable housing development in communities of preference to meet the needs of these populations.	Improve methodology for determining the communities of preference, if appropriate.	IHDA, IDHS, IDHFS, IDoA	AC, CP
	Collect Information primarily from Continuum of Care, health systems, and the Illinois Department of Corrections to understand service needs and leverage coordination opportunities between housing, health, corrections and employment agencies to meet needs of SH populations.	IHDA, IDHS, IDHFS, ICH	L
	Research the effectiveness and assess impact of alternative incentive strategies in the QAP with an eye on increasing development of PSH where it is needed throughout Illinois.	IHDA, IDHS, Developers, IDoA	CP
* Creation and Preservation (CP), Affordability and Choice (AC), Leadership (L)			



## Transforming Healthcare and Human Services

### Transforming Healthcare and Human Services Chart

Major Events in Healthcare and Human Services Transformation Initiatives Related to Olmstead Classes (December 2017)				
Impetus [Lead Agency]	Description	Populations Affected	Geography Affected	Eligible Community - Based Housing
Money Follows the Person (MFP) [IDHFS]	Federal demonstration program providing enhanced Medicaid match (for waiver and State Plan services provided in first year of community residency) to support transitions of seniors and persons with disabilities out of institutions and into eligible community-based settings.	Persons with Mental Illnesses (MI), Developmental Disabilities (DD), Physical Disabilities (PD), and the Elderly currently living in Medicaid-funded assisted facilities.	Statewide	Scattered site supportive housing; single site supportive housing; Supportive Living Program (SLP); group homes of four beds or less (e.g., CILAs).
Ligas v. Norwood Consent Decree* [IDHS - DDD]	State found in violation of Title II of ADA, and Title XIX of Social Security Act for not appropriately housing persons with disabilities in least restrictive settings.	Residents living in private Intermediate Care Facilities for the Developmentally Disabled (ICFs-DD) of 9 beds or more and persons on a PUNS waiting list for services. Persons must request community-based services or community-based placement to be considered part of Class.	Statewide	Scattered site supportive housing; single site supportive housing; Community housing of no more than 8 beds. CILAs to be 4 beds or less to qualify for MFP enhanced match.
Williams v. Rauner Consent Decree* [IDHS - DMH]	State found in violation of Title II of ADA, Section 504 of Rehab Act, and Title XIX of Social Security Act for not appropriately housing persons with disabilities in least restrictive settings. Consent decree includes required transition goals.	Residents living in (Non-Medicaid) Institutes for Mental Disease (IMDs).	Statewide, although 17 of 24 IMDs are in Chicago metro area (Cook County)	Scattered site supportive housing; single site supportive housing. No more than 25% class members in any given development; Bridge Rental Subsidy as major source of rental assistance.
Colbert v. Rauner Consent Decree* [IDHFS]	State found in violation of Title II of ADA, Section 504 of Rehab Act and Social Security Act for not appropriately housing persons with disabilities in least restrictive settings. Consent decree includes required transition goals for housing and services.	Residents with disabilities living in Medicaid-funded Skilled Nursing Facilities (SNFs) in Cook County.	Cook County (only)	Scattered site supportive housing; single site supportive housing; Supportive Living Program (SLP); other appropriate affordable housing.
Facilities Closures [Governor's Office / IDHS]	In 2011, then-Governor Quinn moved to close several State operated facilities not only as cost savings measures, but also in the case of SODC's to provide housing for persons with disabilities in the least restrictive settings.	Persons with Intellectual and/or Developmental Disabilities.	Statewide	ICFs-DD; CILAs; other affordable housing option.
*In Olmstead v. L.C. (1999), the U.S. Supreme Court held that unnecessary institutionalization of people with disabilities is discrimination under the Americans with Disabilities Act (ADA). The decision also held that people with disabilities have the right to receive services in the least restrictive living environment. Based on this decision, three lawsuits were brought against the State of Illinois that may impact deinstitutionalization and rebalancing of long term care housing and services for development and rental assistance resources throughout the state. IHDA is not a named party to the lawsuits, but is making financial and technical assistance resources available to help meet the identified housing needs.				



## Transforming Healthcare and Human Services Chart, Continued

Major Events in Healthcare and Human Services Transformation Initiatives Related to Olmstead Classes (November 2017)		
Impetus [Lead Agency]	Overall Goals	Status/Revised Goals
Money Follows the Person (MFP) [IDHFS]	<p><u>Goals for CY 2017:</u> SMI: 10; DD: 20; PD: 73; Elderly: 20; Colbert: 360; Total of 483 to be transitioned by end of 2017.</p> <p>Note: includes eligible transitions from Colbert, Ligas and facilities closures. DD goals include eligible Ligas &amp; State facilities' transitions that move to a MFP-qualified residential setting (four-bed or smaller CILA). Future Colbert transitions contingent upon cost-neutrality analysis.</p>	<p>3,052 individuals have been transitioned as of 11/2/2017 (SMI: 405, DD: 323, PD: 438, Elderly: 424, Colbert: 1,462).</p> <p>2017 status, non-cumulative: SMI: 14, DD: 8, PD: 16, Elderly: 21, Colbert: 229. There have been 288 transitions so far in 2017, which is 59.6% of its 2017 goal.</p> <p>The MFP program had a deadline for all referrals for the program due by 7/1/2017 and all transitions completed by 12/31/2017. Program funds will be available to follow up with transitioned MFP participants through 2020.</p>
Ligas v. Norwood Consent Decree* [IDHS - DDD]	<p>Offer community-based services or placement to 3,000 persons with DD currently living at home that are on the PUNS waiting list, over a 6 year period (1,000 people by the end of Year 2, an additional 500 people each subsequent year). The goal of transitioning 301 class members (one-third of 902 class size) by 12/31/13 has already been met. Transition second third of class by 12/31/15 (301); transition final third by 12/31/17 (300).</p>	<p>As of December 1, 2017, 1,710 people living in ICFs/DD have become Class Members and 1,419 of them have initiated waiver services.</p> <p>As of December 1, 2017, there are approximately 5,912 people that have been authorized from the PUNS waiting list and 3,214 of them have initiated waiver services.</p> <p>The Ligas Defense has made initial contact with every class member at this time. There are ongoing discussions about how transitions will continue after the six-year goal and how to improve service quality.</p>
Williams v. Rauner Consent Decree* [IDHS - DMH]	<p>Initially evaluate 100% of class (roughly 4,500 persons) within 2 years; reevaluate annually beginning in Year Three. Transition 256 persons Year One (July 2011-June 2012); 640 persons Year Two, 832 persons Year Three, 1,306 Year Four, and 1,706 Year Five (all cumulative).</p>	<p>The State reached and exceeded the Year One goal, transitioning 282; exceeded the Year Two cumulative goal, transitioning 643; exceeded the Year Three cumulative goal, transitioning at least 1,100; exceeded its Year Four cumulative, transitioning 1,312. The program's five-year plan ended June 30, 2016, with a cumulative total of 1,664. As of 6/30/2016, the State had transitioned 369 in Year Five, at 92.3% of its FY16 target number, 400.</p> <p>Transitions have continued as part of the State's continued compliance. As of 9/20/2017, the State continues to transition class members eligible and has transitioned 45 persons since the beginning of FY17, 11.3% of its goal for 400 transitions.</p>

Colbert v. Rauner Consent Decree* [IDHFS]	Transition 300 by 11/8/13; transition additional 500 by 11/8/14; transition additional 300 by 5/5/15 for a total of 1,100 transitions. Year one goal was not met; therefore, second year goal was to transition 800 by 11/8/2014. The year two goal not met. 1,100 by 5/8/2015 (year 3). The new goal was to transition 1,100 by 11/30/2015 and this goal was met.	<p>The initial Implementation Plan was approved by the judge on November 8, 2012. Evaluations began February 2013 but the Year 1 transition goal of 300 by 11/8/2013 was not met. Department on Aging took over as lead agency from HFS in January 2014.</p> <p>A total of 794 class members transitioned by 05/31/2015. A new goal was agreed to transition 1,100 class members by 11/30/2015. The State met its 1,100 goal. As of 8/31/2017, the State has transitioned a total of 1,782 class members. The State's current implementation plan was published in March 2017, according to the agreed upon cost neutral plan.</p>
All of the programs and consent decrees rely on the following housing resources: Low Income Housing Tax Credits; HOME; Affordable Housing Trust Fund; Community Development Block Grant; CILA; Bridge Rental Subsidy (Williams and Colbert class members only); Rental Housing Support Program-Long Term Operating Support; HUD Section 811 Rental Assistance Demonstration; PHA-administered Housing Choice Vouchers; PHA-administered Project-Based Vouchers; and, private housing resources, where appropriate.		

## Money Follows the Person

Since 2008, the Illinois Department of Healthcare and Family Services (IDHFS) has been a part of the federal Money Follows the Person (MFP) Demonstration Program. MFP is a federal demonstration program administered by Centers for Medicaid and Medicare Services. MFP provides enhanced Medicaid match (for first year of community-based residency) to support transitions of seniors and persons with disabilities out of institutions and into eligible community-based settings.

IDHFS continues to coordinate with Illinois Department of Human Services (IDHS), Illinois Department on Aging (IDoA) and IHDA on transitioning persons out of nursing homes and other qualified institutional facilities into community based housing. The targeted populations include persons with physical disabilities (PD), developmental disabilities (DD), mental illness (MI), the elderly, persons with AIDS, those with Traumatic Brain Injury (TBI), and Colbert consent decree class members.

According to CMS, the MFP program was to complete referrals by July 2017, all transitions by December 31, 2017, and all funds used by 2020. Agencies involved are working towards ways to sustain the services that MFP provides after the program ends. As of November 2017, a cumulative 3,052 persons transitioned into community-based housing.

## Consent Decrees

### *Ligas v Norwood*

The Ligas v. Hamos lawsuit was filed in 2005 (now called Ligas v Norwood) on behalf of individuals with developmental disabilities who were residing in private, state-funded facilities (Intermediate Care Facilities for Persons with Developmental Disabilities or ICFs/DD) of nine or more persons or who were at risk of being placed in such facilities. The Illinois Department of Human Services' Division of Developmental Disabilities (IDHS/DDDD) is the lead agency responsible for oversight of the Ligas consent decree, which includes two distinct groups of class members with developmental disabilities (DD) that affirmatively request a community-based setting:

- Persons residing in larger Intermediate Care Facilities of nine persons or more
- Persons who are living at home and who are on a Prioritization of Urgency of Need for Services (PUNS) waiting list

Currently, there are a total of about 15,600 people in the Class. The numbers of Class Members fluctuate on a regular basis; Parties are periodically updated on these numbers at Parties meetings.

As of December 1, 2017, 1,710 people living in ICFs/DD have become Class Members and 1,419 of them have initiated waiver services. Also as of December 1, 2017, there are approximately 5,912 people that have been authorized from the PUNS waiting list and 3,214 of them have initiated waiver services. The Ligas Defense has made initial contact with every class member at this time. There are ongoing discussions about how transitions will continue after the six-year goal and how to improve service quality.

### ***Williams v Rauner***

In 2010, a court-ordered consent decree was issued (originally known as Williams vs. Quinn). This decree made the State responsible, through the Illinois Department of Human Services'—Division of Mental Health (IDHS/DMH) and its partner co-defendants, the Department of Public Health and IDHFS (the State's designated Medicaid Authority). These State agencies must transition qualified and consenting residents in State-funded, non-Medicaid nursing homes (designated as Institutes for Mental Disease (IMDs)) who wish to move into community-based housing with person-centered support services.

IMDs are located in the Chicago metro area, Kankakee County, City of Peoria, and City of Decatur. Most residents of IMDs have a primary diagnosis of Serious Mental Illness (SMI), with a high percentage having dual diagnoses of substance abuse or complex/co-morbid medical conditions. The Williams Consent Decree's settlement has a budget line item allocation specifically dedicated for Bridge Rental Subsidy to offset rental cost for class members. This comes from General Revenue Funds (GRF).

The State met and exceeded its first four annual goals, transitioning 1,312 people by 2015. The program's five-year plan ended June 30, 2016, with a cumulative total of 1,664. As of September 20, 2017, the State continues to transition class members who are eligible, and transitioned 45 persons since the beginning of FY17. This is 11.3% of its goal for 400 transitions.

Ongoing efforts to continue community transitions include:

- Partnering with UIC to look at the population DMH cannot currently meet their clinical/support needs due to one or more of the service needs and to study reasons why people return to IMDs after transitions; and,
- Conducting a pilot program to close the front door and divert populations from the initial IMD placement.

The State is also working to convert IMDs to Specialized Mental Health Rehabilitation Facilities (SMHRFs), new facilities with new regulations and licensing requirements focused on mental health rehabilitation.

### ***Colbert v Rauner***

The Colbert v. Rauner (originally Colbert v. Quinn) lawsuit was filed in 2007 on behalf of persons living with disabilities who reside in skilled nursing facilities (SNFs) in Cook County that are inappropriately segregated from the community. The State agreed to comply with a court Consent Decree filed in November 2011. Originally led by IDHFS, the State decided to move the lead agency's role to the Illinois Department on Aging (DoA) by 2014, after the first-year transition goals fell short. DoA established a new Implementation Plan and filed with the Court in August 2014. The Governor's Office, Illinois Department on Aging and IDHS/DMH have supported this project and collaborated to develop more streamlined and comprehensive evaluative procedures for Class Members.

DoA established but did not meet a Year 3 goal of 1,100 class members by May 8, 2015. However, a new goal was created to transition 1,100 class members by November 30, 2015. The State was able to meet its 1,100 goal, having transitioned 1,101 Colbert class members by the goal date. As of August 31, 2017, the State transitioned 1,782 class members.

The Defendants Cost Neutral report found that the State, on average, saved 37.5% of the funds it used per person in an institution once the person moved to the community. The parties negotiated and developed a cost neutral plan, as well as a consultant report created per the Court Monitor's request, that were both incorporated in an updated implementation plan. The court released the cost neutral plan agreements in November of 2016 and the new implementation plan in March 2017.

### ***Joint Consent Decree Efforts***

Both Williams and Colbert are participating in an Individual Placement and Supports (IPS) Supported Employment Initiative. IPS is evidence-based employment services for people with serious mental illness (SMI). DMH hired a program manager for this supported employment project, who visits community drop-in centers and engages class members to encourage them to participate. Both agencies are also contracting with the University of Illinois-Chicago's School of Nursing to provide in-person trainings and webinars on a variety of topics to help service providers improve transitions and become more aware of Class Members chronic health needs.

Since a meeting with the Court Monitor in July 2016, DHS and IHDA are also looking into strategies to create more cluster models; small, single-site properties; and to do more extensive landlord outreach.

DHS is also planning to become the lead agency for the Williams Consent Decree, putting all three consent decrees under one agency. This will involve a lead office that coordinates all three decrees' efforts.

### **Supportive Housing Options (SHO) Initiative**

In April of 2015 the state launched the Supportive Housing Options (SHO) Initiative to provide supportive housing options for individuals with intellectual and/or developmental disabilities. The Supportive Housing Options Initiative provides access to affordable supportive housing options specifically for Ligas Class Members coupled with the supportive services needed by the Ligas class members to live an integrated life in the community.

The (SHO) Initiative provides housing units and rental assistance through the Section 811 Project-Based Rental Assistance Demonstration Program and the Statewide Referral Network, making it possible for people with very low incomes to access an apartment, condo or house. In partnership with the IDHS/DDD, SHO has defined a service structure that will support people with intellectual and developmental disabilities moving into consumer-controlled apartments, condos or houses using the Intermittent CILA service package as a base with additional hours of support service added based on the persons service needs.

Please note that CILAs must meet four unit limits to qualify for the Money Follow the Person (MFP) enhanced match. Currently, Supportive Housing Options Initiative units are being developed in Metro East (Edwardsville, Collinsville, and Alton), Champaign-Urbana, Bloomington-Normal, Chicago and the collar counties.

### **Public Housing Authority Preferences for Persons with Disabilities**

In early 2013, HUD's Office of General Counsel approved a statewide Coordinated Remedial Plan for the State of Illinois, which allows local public housing authorities (PHAs) to establish preferences on their Public Housing and/or Housing Choice Voucher waiting lists for Olmstead populations. PHAs provide a preference to persons living with disabilities who are participating in one of the three court consent decrees (Colbert, Williams, and Ligas) and those who are seeking to move out of a State-Operated Developmental Center (SODC).

PHAs must still revise their Public Housing Agency Plans to reflect the requested preference and request a waiver. The Statewide Housing Coordinator (SHC) from DHS has worked with several PHAs in the past four years to submit these waivers and establish agreements for voucher and public housing unit set-asides. The SHC has worked to secure housing vouchers and public housing units through local public housing authorities including Cook County, the City of Chicago, Rockford, Decatur, and Lake County. The table below shows how many vouchers and public housing units that PHAs have committed to this effort.

Section 811 Match for Illinois PHAs					
Award Year	PHA	Match Type	Number	Special Conditions	Acquired
2012	Chicago Housing Authority (CHA)	Housing Choice Vouchers (HCV) Project Based Vouchers (PBV) Accessible Public Housing units	Up to 60	Total of 400 vouchers or units + additional 200 HCV	260 HCV
2012	Housing Authority of Cook County (HACC)	Low Income Public Housing (LIPH) Project Based Vouchers (PBV) Housing Choice Vouchers (HCV)  Non Elderly Disabled (NED)/Mainstream Special Purpose Vouchers (SPV)	10% Annual Turnover + 10% of new PBV  35	Annual Turnover (LIPH, PBV, HCV) New PBV  1 <sup>st</sup> year approx. 120 units in total, annualized	33 HCV
2012	Rockford Housing Authority (RHA)	Housing Choice Vouchers (HCV) Public Housing Units	50 30	Non-elderly disabled, one time	Beginning the access process
2014	Decatur Housing Authority (DHA)	Low Income Public Housing (LIPH) Housing Choice Vouchers (HCV)	15 15	Turnover vouchers, one time	4 HCV
2014	Housing Authority of Cook County (HACC)	Housing Choice Vouchers (HCV) Project Based Vouchers (PBV)	NA	Total of 60 turnover vouchers, annualized	Haven't begun
2014	Lake County Housing Authority (LCHA)	Housing Choice Vouchers (HCV)	100	Turnover vouchers	55 HCV

All of these public housing authorities committed housing choice vouchers and/or public housing units as match to the IHDA's two approved Section 811 applications to HUD. These match resources are replacing temporary State subsidies (known as Bridge Subsidies) that many Class Members are currently using to make community based housing affordable by paying a portion of their rent and provide household necessities (e.g., furniture, appliances) when needed.

## Housing Resources

### Home First, LLC

In December of 2011, IFF and Access Living launched Home First to address the need for community integrated affordable housing accessible for people with disabilities per the Americans with Disabilities Act (ADA). Under Home First, IFF acquires, develops, and owns accessible housing that remains affordable to very low-income people with disabilities.

These developments provide permanent housing for people leaving institutions and persons in need of affordable, accessible housing. IFF partners with public housing authorities, to provide project-based rental assistance for Home First units to ensure they remain affordable to individuals who live on restricted incomes.

The Illinois Housing Development Authority initially awarded \$15 million to the program in 2011 through the Build Illinois Bond Program, which resulted in a project creating 70 wheelchair accessible rental units in 17 condominium buildings in Chicago and suburbs. These units are specifically set aside for people leaving nursing homes under the Colbert Consent Decree Implementation Plan.

Since then, Home First has developed 16 units of fully accessible housing in Peoria using IHDA's Permanent Supportive Housing funds, soft sources, donated land and rental assistance. In 2017, Home First completed its first scattered site project using the LIHTC to create 54 units of housing in 25 individual buildings. Project units feature high levels of accessibility and universal design features. Current projects in development include four-

person CILA group homes across the State of Illinois and a second scattered site LIHTC project in west suburban Cook County.

### **Illinois Housing Search Website**

ILHousingSearch.org is an online, web-based affordable housing locator that lists available affordable housing throughout the state. Users are able to search for housing by geographical location, size, price, accessibility features, amenities, and other eligibility criteria. As of December 12, 2017, 7,694 landlords registered 119,374 units throughout the state, with 3,994 units available on ILHousingSearch.org. As of December 12, 2017, there have been 5.7 million searches since the website was created, with over 728,000 searches in 2017.

### **State Referral Network**

Created in 2007 within IHDA's LIHTC Program, the Statewide Referral Network (SRN) works to link populations already connected to services to affordable, available, supportive housing. SRN units are affordable for persons with extremely low-incomes, also known as 30% area median income. Eligible populations include persons living with disabilities, persons experiencing homelessness, persons at risk of homelessness, and, new this year, persons at risk of institutionalization. LIHTC Targeting was included in the 2015 QAP, the 2016-2017 QAP, and the new 2018-2019 QAP, with additional points awarded to projects proposing developments that include SRN units.

Embedded within the State of Illinois' housing locator website is a password-protected login through the Pre-Screening, Assessment, Intake and Referral (PAIR) module for SRN and Section 811 units. Launched in June 2015, the PAIR module is a waitlist management system that allows for the pre-screening of individuals for eligibility through an initial questionnaire, collecting more details of those who potentially qualify for intake onto a waiting list. The SRN Waiting List receives referrals through the module from various service providers (housing locators, transition coordinators and care coordinators) The Housing Waiting List Manager then facilitates the matching and referral of qualified applicants to properties with SRN units. There are approximately 1,500 units available within the SRN. As IHDA continues to create additional developments with SRN units, this number is expected to grow.

The Statewide Housing Coordinator (SHC) in coordination with IHDA primarily oversees the PAIR module and its SRN/811 application process and matching system. IDoA, IDHS and IDHFS are involved via an intergovernmental agreement.

### **HUD Section 811 Program**

The Section 811 Project Based Rental Assistance Demonstration Program assists low-income households with long-term disabilities to live independently in the community by providing affordable housing linked with voluntary services and supports.

In February 2013, the State was awarded \$11.9 million from HUD to provide up to 732 project-based vouchers to persons with disabilities who were coming out of nursing homes and other institutional facilities to help them transition back into the community. This money was set to also help assist Illinois in its efforts pertaining to meeting obligations set into place by the three consent decrees (Williams, Colbert and Ligas), as well as the Money Follows the Person Program and SODC closures. In March 2015, HUD announced it was awarding a second round of 811 funding. IHDA was awarded \$6.42 million, which it projects would assist approximately 200 households.

Through this 811 Demonstration Program, IHDA works to obtain signed Rental Assistance Contracts (RACs) from developments to set aside units for these project based vouchers (PBVs) when the development is open. IHDA also works to enter Agreements to enter RACs (ARACs) with developments, which will guarantee that units will go to eligible populations as they become available. The 811 project-based rental assistance is provided on IHDA properties financed by Low Income Housing Tax Credits (LIHTCs), HUD HOME funds and bond financing; for construction and maintenance. This allows the 811 subsidies to help state and local governments systematically create integrated supportive housing units in affordable rental housing developments. Service providers working with eligible applicants can then access the Section 811 units by placing Class Members onto



the PAIR module's 811 Waiting List within the ILHousingSearch.org web-based housing locator (anyone who is eligible for Section 811 is also eligible for the Statewide Referral Network waiting list).

A Section 811 Interagency Panel that includes IHDA, DHS, and HFS, meets regularly to review data and talk about interagency initiatives to improve access to 811 units. One of these initiatives involves determining what the communities of preference will be in each LIHTC Qualified Allocation Plan (the document that guides LIHTC awards). Proposed developments with SRN units building in communities of preference are awarded additional points in the QAP to encourage affordable housing development in those areas where eligible 811 applicants have moved and wish to move. The group also discusses HUD compliance matters, new reports that may be useful for program evaluation, training opportunities to use PAIR, and possible pilots to improve the PAIR module's function.

Due to unforeseen delays with HUD in establishing the rental assistance payments process for the Section 811 Program, IHDA began bringing individual projects to its Board for approval in 2015. As of December 2017, 104 units have been Board approved and 80 are available in the PAIR system.

### **Illinois Long Term Operating Support (LTOS) Program**

On a per year basis, a minimum of 10% of the funding under the Rental Housing Support Program (RHSP), described in Focus Area 1, is available as the Long Term Operating Support (LTOS) Program. LTOS provides up to fifteen years of long-term, project based, rent subsidy to newly available affordable units. This program works to increase the supply of affordable housing to households earning at or below 30% of Area Median Income (AMI). LTOS currently funds 102 units with rental assistance subsidy.

Since 2016, IHDA has posted a Long Term Operating Support Program (LTOS) request for application to give rental subsidies for 15 years to eligible landlords serving households referred through the Statewide Referral Network. LTOS grants will be awarded to the highest scoring applications to bridge the gap between the contract rent and what extremely low-income households can afford to pay. Eligible developments must be located outside the City of Chicago, meet the accessibility requirements listed in the Request for Application, and commit to accepting tenants referred through the Statewide Referral Network in order to be considered. In 2018, applications for LTOS will continue to be accepted on a rolling basis until further notice.

### **Permanent Supportive Housing Development Request for Applications**

IHDA released a request for application for a third round of the Permanent Supportive Housing Development Program (PSH). The program round funded seven developments serving extremely low-income persons with disabilities, persons experiencing homelessness and other vulnerable populations. These developments contain no more than 25 units and are required to set aside a minimum of 10 percent of units for referrals through the Statewide Referral Network. According to IHDA's strategic plan, there will be another round of funding for this PSH program in 2018.

### **Illinois Supportive Living Program**

Illinois' Supportive Living Program is a Medicaid approved home and community-based assisted living option administered by the IDHFS that offers services to the elderly (65 and older) and persons with physical disabilities (ages 22-64). The aim of the program is to preserve privacy and autonomy while emphasizing health and wellness for persons who would otherwise need nursing facility care.

By providing personal care and other services, residents can still live independently and choose what services to receive. IDHFS currently operates this program through a Medicaid waiver, which allows payment for services that are not routinely covered by Medicaid. These include intermittent nursing, personal care, homemaking, laundry, maintenance, medication supervision, meals, social activities, recreation, arranging or providing transportation, health promotion and exercise and 24-hour staff to meet residents' scheduled and unscheduled needs. The resident is responsible for paying the cost of room and board at the SL community. In 2017, the number of operating supportive living sites grew from 148 communities to 152, increasing the capacity from 12,110 apartments to 12,689 apartments. Of the 152 communities, nine serve people ages 22 to 64 with physical disabilities. Twelve sites have been approved for the Supportive Living Program and are in various stages of construction and development, including three that will serve people ages 22-64 with physical disabilities. In all, there are Supportive Living (SL) communities in 74 counties in Illinois. The Centers

for Medicare and Medicaid has defined Illinois' program as meeting the requirements of a "community-based setting". Supportive Living Program providers are among the State's nine current Medicaid waivers. Housing Task Force members have recommended expansion of the Supportive Living Program Memory Care Pilot Project. The IDHFS pilot program initially approved five projects located in South Elgin, North Aurora, Decatur, Rantoul, and Effingham. The five SL communities selected by the Department to provide memory care have been very successful. The original five projects are still open and running. Illinois' significant Alzheimer and related dementia demographics point to the need for additional memory care units. The Alzheimer's Disease Illinois State Plan, released January 2014, supports expansion of the Department's affordable memory care pilot program. Such specialized housing would be beneficial to low-income seniors, available resources permitting. The Department accepted applications for new SL dementia providers from September 2016–March 2017. Approvals are expected to be announced in late 2017.

The Housing Task Force encourages IDHFS to expand its pilot program to provide care in SL communities for persons age 22 and over, including those who have a diagnosis of Alzheimer's disease or related dementia.

## Health and Housing

### Care Coordination Plan and Managed Care

Public Act 96-1501 ("Medicaid Reform") required that 50% of Illinois Medicaid clients be enrolled in some type of care coordination program by January 1, 2015. Illinois met this requirement by enrolling more than 60% of the Medicaid population into a care coordination program. There are 30 Illinois counties in the five mandatory managed care regions: Rockford, Central Illinois, Metro East, Quad Cities, and the Greater Chicago Region. In addition, there are 15 counties where managed care enrollment is voluntary.

Care Coordination manages the care needs of an individual by providing the client a medical home with a primary care physician, referrals to specialists, diagnostic and treatment services, behavioral health services, inpatient and outpatient hospital services, dental services, and when appropriate, rehabilitation and long term care services. The benefits of care coordination include better health for the member and a better quality of life for the member at a reduced cost.

IDHFS currently operationalized four care coordination programs: the Integrated Care Program (ICP), the Medicare Medicaid Alignment Initiative (MMAI), the Family Health Plan Program (FHP), and the Medicaid Managed Long Term Services and Supports (MLTSS) Program.

A description of Illinois' four care coordination programs are provided here.

#### ***Integrated Care Program (ICP)***

The *Integrated Care Program (ICP)* is a mandatory program for older adults and adults with disabilities (age 19 and over) who have full Medicaid benefits but are not enrolled in Medicare. As of October 1, 2017, HFS holds contracts with 10 MCO/MCCNs to serve the ICP population. ICP covers 30 counties in Illinois, including the entire Greater Chicago Region, Rockford Region, Central Illinois Region, Metro East Region and the Quad Cities Region. As of October 1, 2017, enrollment under ICP was 113,952.

#### ***Family Health Plan Program (FHP)***

The *Family Health Plan (FHP)* Program is for children, their families, and Affordable Care Act Adults who have full Medicaid benefits and are not enrolled in Medicare. FHP is currently operating in 45 counties including the Greater Chicago Region, Rockford Region, Quad Cities Region, Central Illinois Region and Metro East Region (15 additional counties outside the mandatory Regions have one MCO operating FHP in that county. Participation is optional in those 15 counties for enrollees). As of October 1, 2017, HFS holds contracts with nine MCO/MCCNs to serve the FHP population. As of October 1, 2017 current enrollment for FHP is 1,745,386.



### ***Medicare/Medicaid Alignment Initiative (MMAI)***

In 2013, Illinois and the federal Centers for Medicare and Medicaid Services (CMS) signed a Memorandum of Understanding that approved the *Medicare/Medicaid Alignment Initiative* (MMAI). MMAI is an effort to reform the way care is delivered to clients who are eligible for Medicare and Medicaid services (dual eligible) by providing coordinated care.

In 2015, MMAI was operational in the Greater Chicago Region and parts of the Central Illinois Region. There are seven MCOs providing services under MMAI. As of October 1, 2017, the enrollment under MMAI was 51,431.

MCOs providing services under MMAI are responsible for covering all Medicare and Medicaid services, including Long Term Services and Supports (LTSS). Enrollees can opt out of MMAI at any time, as well as re-enroll at any time; however, enrollees that receive LTSS in Greater Chicago and request to opt out of MMAI are required to participate in the MLTSS program.

### ***Medicaid Managed Long Term Services and Supports (MLTSS) Program***

The *Medicaid Managed Long Term Services and Supports Program* (MLTSS) is one of Illinois' mandatory managed care programs. This program is for seniors and persons with disabilities who have full Medicaid and Medicare benefit who receive Long Term Supports and Services and opt-out of MMAI. This program only covers dual eligible individuals in the Greater Chicago Region that have opted out of the MMAI. As of October 1, 2017, enrollment under the MLTSS program totaled 28,647.

In February 2017, IDHFS released a Request for Proposals (RFP) seeking services from qualified and experienced managed care organizations to enter into risk-based contracts for a new program in Illinois called HealthChoice Illinois. HealthChoice Illinois is a statewide program scheduled to begin January 1, 2018, with a goal of reaching 80% of the Illinois Medicaid population during 2018. IDHFS listened to input from providers and other stakeholders when creating this new program. It reduces the number of plans in the program to better serve clients and providers. It also combines the ICP, FHP and MLTSS programs into one. MMAI will remain a stand-alone program.

The following seven plans were selected through the RFP process and will be participating in the HealthChoice Illinois program in 2018:

- Blue Cross Blue Shield of Illinois (Statewide)
- CountyCare (available only in Cook County)
- Harmony Health Plan (Statewide)
- IlliniCare Health Plan (Statewide)
- Meridian Health (Statewide)
- Molina Healthcare of Illinois (Statewide)
- NextLevel Health (available only in Cook County)

### **Section 1115 Waiver and Supportive Services**

The Section 1115 Medicaid Demonstration Waiver application is a request for a contract between the State of Illinois and the federal government that waives federal Medicaid requirements and gives the federal government authority to approve experimental, pilot or demonstration projects. The purpose of these demonstrations is to evaluate policy approaches such as providing services not typically covered by Medicaid or creating innovative service delivery systems that improve care, increase efficiency and reduce costs. Illinois submitted an application to CMS in October 2016 that is meant to transform services for the behavioral health population, which includes persons experiencing serious mental illness and/or substance use disorders.

The Illinois' Section 1115 Medicaid Waiver application was completed during the Medicaid Innovation Accelerator Program that took place in 2016 with team consisting of agency staff from IDHFS, IHDA, IDHS, and a representative from CSH. The 1115 application is part of the larger Health and Human Services Transformation that places focus on prevention and public health; pays for value and outcomes rather than volume of services; makes evidence-based and data-driven decisions; and moves individuals from institutions to community care to keep them more closely connected with their families and communities. Members will be identified and

supported by a digitally enabled system with a comprehensive suite of high-quality service integrating both behavioral and physical health with support from an efficient and effective streamlined state system. The State aims to address the over-reliance on institutional care in several ways.

1. Illinois aims to strengthen community-based behavioral health services, both core (dedicated behavioral health services) and preventative (upstream interventions to prevent behavioral health conditions from arising or mitigate their impact through early identification and immediate treatment). It also seeks to optimize its use of higher-acuity services, providing oversight to ensure that they occupy the appropriate position in the continuum of care, mapping directly to members' needs.
2. The State seeks to strengthen support services, such as housing and employment assistance, to augment and reinforce core and preventative behavioral health services. Illinois believes supportive services are essential for meeting whole-person needs, enhancing the effectiveness of core services and enabling members to improve their own outcomes.

Illinois is seeking to pilot a funding and delivery model for pre-tenancy services and tenancy services (Supportive Housing Services) for individuals with high behavioral health needs who are at risk of homelessness, currently experiencing homelessness or who are inappropriately institutionalized or at risk of institutionalization. Supportive Housing Services proposed include Person-Centered Assessment, Move-In Preparation Services, Relations with Property Management and Community Members and Housing Retention Services.

Because stable employment, like stable housing, plays a critical role in helping individuals with behavioral health issues prevent hospitalizations and support their journey to recovery; Illinois also seeks to pilot a funding and delivery model of supported employment for a targeted group of members with high mental health needs that unifies the current fragmented system. This expansion of Individual Placement and Support Services will greatly enhance access to these vital services.

Other benefits the Illinois waiver plans to test include: services to ensure successful transitions for justice-involved individuals at Illinois Department of Corrections and Cook County Jail; redesign of the substance use disorder service continuum; optimization of the mental health service continuum; and additional benefits for children and youth with significant mental health needs. The 1115 Waiver application is in negotiations with CMS.

## Homelessness

### Illinois Interagency Council on Homelessness

The Illinois State Plan to Reduce Chronic Homelessness was submitted to the U.S. Substance Abuse and Mental Health Services Administration (SAMHSA) in December 2013. It affirmed the six core values reflected in *Opening Doors: the Federal Strategic Plan to Prevent and End Homelessness*, which are stated as follows:

1. Homelessness is unacceptable,
2. Individuals with lived experience with homelessness deserve to be treated with dignity and respect,
3. Homelessness is expensive: it is better to invest in solutions,
4. Homelessness is solvable; we have learned a lot about what works and housing, plus appropriate services is the cornerstone for a solution to chronic homelessness,
5. Homelessness can be prevented; and
6. There is strength in collaboration.

The purpose of the Illinois Cooperative Agreement to Benefit Homeless Individuals (CABHI) program is to enhance or develop the Illinois infrastructure and treatment service systems in order to increase capacity to provide accessible, effective, comprehensive, coordinated/integrated and evidence-based treatment services. CABHI will also provide permanent supportive housing; peer supports; peer navigator(s); and other critical services to persons who experience chronic homelessness with substance use disorders or co-occurring substance use and mental disorders.

The first grant ended in September 2017. Illinois received a new CABHI grant in Fall 2017 and is working to create a State plan for the new grant. This plan will closely reflect the original State Plan in its core values but will be focusing on Families and Unaccompanied Youth Experiencing Homelessness.

## **Interagency Collaboration**

### **Supportive Housing Working Group**

The Housing Task Force first created a Supportive Housing Working Group in 2007 to create common definitions, quantify unmet need and create production goals for supportive housing. Its report was issued in 2008. Since that time, there has been a growing need to update this report to more accurately reflect current and future needs and policy/direction of scarce resources for permanent supportive housing development. In the spring and summer of 2016, the Metropolitan Planning Council (MPC) initiated its own effort to research and complete a monograph/report on supportive housing. One of the report's recommendations was to reconvene the Housing Task Force's Supportive Housing Working Group for further study of this subject.

The Supportive Housing Working Group was reassembled in the beginning of 2016 and met regularly through August of 2016 to develop an updated Supportive Housing report that was published in January 2017. Shortly after the report was released the Working Group met to create an action plan from the report's recommendations, in order to continue analyzing and improving PSH resources across the State. The Working Group still meets regularly to provide updates on the action plan and reflect on current PSH issues in Illinois.

### **One Roof Initiative and Early Childhood Court Housing Subcommittee**

In the summer of 2017, the Department of Children and Family Services (DCFS) applied, and was accepted to the One Roof Keeping Families Together Training Academy through CSH. This Academy provided training courses and valuable peer-to-peer opportunities to learn how well the defined applicant can pair supportive housing and child welfare services. DCFS' application was for Cook County, specifically focusing on the Early Childhood Court program, which provides a more intensive, collaborative approach to ensure successful reunification of families with young children (under the age of 5).

DCFS included partners at IHDA, DHS, and Ounce of Prevention to attend these training and peer learning activities. The program wrapped up in September 2017 but DCFS decided to continue this interagency work through its own Early Childhood Court housing subcommittee. This subcommittee meets on a semi-regular basis to continue exploring housing resources for these families working through Early Childhood Court and towards reunification.

### Focus Area #3: Innovative Use of Resources and Strategies

As the resources required to serve the myriad of affordable housing needs in Illinois continue to be threatened, maximizing efficiency while achieving equity (i.e. doing more with less) is a fiscal and policy imperative. The 2018 focus on innovative use of resources and strategies will continue to identify potential areas of waste and to plan for a future where clearer housing goals and identified needs are better served with the resources that remain.

**Cost reduction** continues to be a major focus on Affordable Housing production not just in Illinois but on a national stage. In 2017, the Housing Task Force focused on requirements that may have inadvertently driven the cost of developing up, identifying some key changes to incentives in the State's funding practices. For 2018, the focus will be on better understanding apparent rising construction costs through a regional analysis that averages costs across the Midwest. Additionally, a comprehensive review of the Architectural and Construction standards and requirements in Illinois will be conducted to fully understand if and where requirements are driving costs.

In a state as geographically diverse as Illinois, **regional alignment of resources** is always a major issue. In 2018, the Housing Task Force will explore Illinois' regional strategies as well as the many ways State and Federal funding succeeds and fails to align with local funding and assistance. Research will be conducted on the efficacy of regional determinations and their impact on the flow of funding to and from these regions towards the end of better aligning all housing efforts throughout Illinois.

Additionally in 2018, the Housing Task Force will explore better methods to analyze and serve the needs of the priority populations throughout Illinois. Community level planning and involvement can build **multi-tiered public and private partnerships** to better assure the effective assessment of community needs. In the last 2 years, many strides have been made towards enhancing such planning assistance as provided by the State. 2018 will see us looking forward to a deeper understanding of the housing and community needs of Illinois as well as new methodologies to link with partners – including universities – throughout Illinois to enhance our ability to meet these needs.

The **Innovative Use of Resources and Strategies Focus Area** also draws from existing and new actions and strategies that are identified in this report's **Technical Plan**, which lays out the long-term planning goals of the Housing Task Force. In this Focus Area, four updated Technical Plan strategies provided the framework for the current programs and recommended efforts included in this section. These strategies, and their accompanying action items, are listed in the following pages.

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### Focus Area #3: Recommended Technical Plan Strategies and Action Item

Strategies	Action Items	Partners	Principles (s) *
Encourage affordable housing developers to incorporate appropriate energy efficient systems and materials into their projects.	Research the true cost of energy efficiency and green building efforts in reducing operating costs as well as funding coordination opportunities to promote green incentives for affordable housing throughout the state.	IHDA, Housing Task Force, State Agencies, IHC	AC
	Inventory all existing federal, state, non-profit and private energy conservation resources and promote coordinated funding structure with IHDA and other housing development programs	IHDA, State Agencies, ICC	L
	Build upon existing relationships and outside expertise towards a goal of developing/improving IHDA energy efficiency standards and a series of benchmarks, which will acknowledge best practices developed by the Housing Task Force.	IHDA, Housing Task Force, Other State Agencies	L
	Whenever possible, consider incorporating successful cost-effective existing energy innovations that go beyond the scope of normal energy efficiency programs into lending practices for rental housing development (e.g. performance based contracting, and alternate energy sources, e.g., geothermal heating, solar applications, et.al.,).	IHDA, State Agencies, Developers	AC
Identify and pursue all funding sources for energy efficiency improvements.	Explore opportunities to coordinate project funding with ICC and utility companies under the Future Energy Jobs Act.	IHDA, ICC, Utility companies, Non-profit organizations	CP/AC
Explore innovative solutions to address the rising costs in developing affordable housing.	Compile and conduct internal and external research on cost containment strategies for affordable housing, including but not limited to site acquisition costs, governmental regulations, financing, and energy efficiency considerations.	IHDA, Housing Task Force	L
	Use existing underwriting models and test cost containment strategies to determine their appropriateness as well as possible consequences.	IHDA, Housing Task Force	L
	Continue to encourage statewide cost containment strategies in housing development through the LIHTC Qualified Allocation Plan application process.	IHDA, Developers	L
	Explore options to reduce operating costs for existing and future affordable housing.	IHDA, IHC	AC
* Creation and Preservation (CP), Affordability and Choice (AC), Leadership (L)			

### Focus Area #3: Recommended Technical Plan Strategies and Action Item - Continued

Strategies	Action Items	Partners	Principles (s) *
Enact an informed and strategic expansion of accessibility standards for all persons with disabilities and elderly/mobility impaired persons.	Continuing to improve the affordable housing referral network – including but not limited to improvements to the Statewide Housing Locator. This will better connect persons with accessibility needs to available, affordable, and accessible housing.	IHDA, IDHFS, IDHS, IDoA	L
	Investigate available options and policies to promote increased occupancy of existing accessible units in all assisted housing by persons with accessibility needs.	IHDA, IDHFS, IDHS, IDoA, Housing Task Force	AC/L/CP
	Conduct research on the true costs of producing affordable units with universal housing design.	IHDA, Housing Task Force	L/CP
	Cultivate a richer understanding of the need and demand for and use of units with accessible design features.	IHDA, Housing Task Force	L
	Continue to encourage the inclusion of universal design principles in affordable units through the Qualified Action Plan (QAP) application process.	IHDA	AC/CP
* Creation and Preservation (CP), Affordability and Choice (AC), Leadership (L)			

## Sustainable Building and Green Investment

### Utilities & Energy Efficiency Programs

With passage of the Future Energy jobs Acts (P.A. 99-0906), IHDA will work to identify and pursue all funding sources for energy efficiency improvements by exploring opportunities to coordinate project funding with the ICC, the utility companies and Non-profit organizations.

*(NOTE: Status update to be provided as it becomes available)*

### Illinois Low Income Home Energy Assistance Program (LIHEAP)

The Illinois Low Income Home Energy Assistance Program (LIHEAP) is designed to assist eligible low-income households by providing a one-time benefit to eligible households to be used for energy bills. The amount of payment is determined by income, household size, fuel type and geographic location.

LIHEAP, administered by DCEO, is funded by the U.S. Department of Health and Human Services and the State of Illinois. Energy Assistance is provided through local community action agencies or not-for-profit agencies throughout the state. In 2018, DCEO estimates \$187,700,000 will assist 373,133 households.

### Home Weatherization Assistance Program

The Illinois Home Weatherization Assistance Program (IHWAP) is designed to help low-income households save on energy costs while increasing the comfort of their homes. Its mission is to insulate the dwellings of low-income persons; particularly the elderly, persons with disabilities, families with children, high residential energy users and households with a high-energy burden, in order to conserve needed energy and to aid those persons least able to afford higher utility costs. In 2018, DCEO estimates \$42,830,507 will be committed to assisting 9,535 individuals and households in Illinois.

### Property Assessed Clean Energy (PACE) Program

The Property Assessed Clean Energy (PACE) Act was signed into law as Public Act 100-0077 by Governor Rauner on August, 11, 2017. The legislation authorizes a governing body to establish a "PACE area" within its jurisdiction to finance a variety of energy efficiency and water conservation improvements through the use of special tax assessments on property owners who are interested in participating. The local government must specify the property types that are eligible in its authorizing resolution.

Multi-family residential properties of 5 or more units, but not single-family housing. The law authorizes the use of locally issued bonds under the Special Assessment Supplemental Bond and Procedures Act to finance energy projects under the PACE program.

Participating property owners/borrowers must meet the following eligibility criteria: no delinquent property taxes, special assessments, or water/sewer charges; no involuntary property liens; no defaults and current on mortgage payments; and no bankruptcies in the last two years. Additionally, borrowers must use licensed contractors.

While no local PACE program has yet been established in Illinois, there are 16 other states with commercial PACE programs, and 3 with residential programs.

### Qualified Allocation Plan: 2018-2019 - Incentives for Energy Efficiency Building

Under IHDA's new Qualified Allocation Plan (QAP), proposed projects will earn more points under the 2018-2019 QAP if they integrate green features. Specifically, incentives are provided for projects that include additional elements from the Sustainable Design Checklist, a list of green features that will enhance a building's energy efficiency and improve building quality.

Alternately, projects can also earn additional points if they gain certification through the Living Building Challenge, or attain alternative certification for a high-performance building achieving 'Net Zero Capable' status as approved by the Authority. Incentives are also provided for commitments to obtaining sustainable



certifications from the U.S. Green Building Council LEED, the 2015 Enterprise Green Communities or the ICC 700 National Green Building Standard certification.

## Cost Containment

### Containing Costs - Ongoing Research

IHDA recently conducted a cost study of IHDA-supported housing. Drawing on 126 affordable housing projects from 2011 to 2016, IHDA staff examined cost drivers in the following areas: new construction and rehab, senior and non-senior, impacts of QAP changes, project scope and size, and Davis/Bacon prevailing wage rate standards. While limitations to available data posed a variety of challenges, the results yielded a valuable construction cost database, which will help IHDA develop and implement effective strategies to address cost barriers to high quality affordable housing production.

Additional research is needed to examine cost containment strategies for affordable housing development, which has successfully been applied in other geographic areas of the country. IHDA has been participating in a regional effort to review cost analysis, and will continue to collaboratively partner with the region's stakeholders to better identify cost drivers, and develop best practices in cost containment.

For 2018, the State Housing Task Force, regional partners, and local affordable housing developers have identified areas needing additional research and analysis:

- Adaptive reuse costs
- Historic preservation costs
- Costs of sustainable certification
- Cost of differential of accessible units
- Targeting of specific populations outside of senior or non-senior
- Brownfield development vs. greenfield development
- Impact of specific funding sources (federal and state)
- Deeper evaluation of individual project scopes to determine cost impacts
- Correlation between construction cost and credit pricing
- Annual changes in architectural design standards
- Impact of emphasizing development in opportunity areas

### Qualified Allocation Plan: 2018-2019 - Incentives for Cost Containment

The QAP includes a cost containment category, which provides incentives to affordable housing developments with the lowest construction costs in their projects set aside. Up to four points can be earned in the Cost Containment category, which assist the project in obtaining tax credits. Only projects with costs below the grand total hard cost limits as set forth in the Mandatory Section of the QAP, are eligible for consideration.

Projects are ranked within each geographic Set-Aside in four categories:

- Total hard construction costs;
- Total hard construction costs per unit;
- Total hard construction costs per square foot; and
- Building efficiency (equal to the rentable residential square footage divided by the total Project square footage).

Points are awarded to one new construction and one rehabilitation project per set-aside. In addition to construction cost, the project's total development cost are evaluated in two additional categories – total development cost and development cost per unit.

While IHDA sees the QAP as an effective and important tool in addressing cost containment, it is clear more needs to be done to address the rising costs of affordable housing development. IHDA and members of the Housing Task Force will continue to explore other cost saving measures, including innovative approaches in the public and private sectors.



## Accessible Design

### Home Accessibility Program

Funded by the Illinois Affordable Housing Trust Fund, IHDA's Home Accessibility Program (HAP) provides assistance to low-income and very low-income senior citizens and persons with disability to prevent premature or unnecessary institutionalization. HAP provides aid to qualifying households through competitive grant awards to units of local government and non-profit agencies. These entities then work to reserve and oversee forgivable loans for individuals within their community to make modifications to allow them to remain in their homes. Households must be at or below 50% of the area median income (AMI), must have at least one elderly person with a physical limitation or person with a disability. Qualifying households are eligible to receive up to \$25,000 in assistance if they reside in Cook or a Collar county, or \$15,000 in assistance elsewhere.

Home Accessibility Program (HAP) Current Funding Rounds				
Funding Round	Time Period	Money Awarded	Number of Awards	Loans Reserved
Round 1	March 2017 – March 2019	\$2.98M	15	20 to date
<b>2018 Projection</b>	<i>Round 1 is expected to be at least 50% completed in CY 2018, disbursing approximately \$500,000 in the funding of approximately 80 loans.</i>			

### Rural Development Home Repair Loan and Grant Programs - Section 504

The U.S. Department of Agriculture Rural Development office administers the Rural Development Home Repair Loan and Grant Program, the Section 504 program, to provide emergency repair assistance to individuals who live in rural areas with a population fewer than 10,000. This program provides low-interest loans to income eligible homeowners of all ages, and grants to individuals over age 62 who meet specified income criteria, to assist with home repairs and making homes accessible for people with disabilities and mobility impairments.

### Specially Adapted Housing Grant for Veterans

The Illinois Department of Veterans' Affairs (IDVA) administers the Specially Adapted Housing Grant, which is a benefit available to veterans or service members who are entitled to disability compensation for permanent and total service-connected disability due to:

1. The loss, or loss of use, of both lower extremities such as to preclude locomotion without the aid of braces, crutches, canes or a wheelchair.
2. Blindness in both eyes having only light perception, plus loss or loss of use of one lower extremity.
3. The loss, or loss of use, of one lower extremity together with residuals of organic disease or injury, or the loss or loss of use of one upper extremity.
4. The loss, or loss of use, of both upper extremities, so as to preclude use of the arms at or above the elbows.
5. The permanent and total disability is due to a severe burn injury (as so determined).

Funded through the Illinois Affordable Housing Trust Fund, eligible veterans or service members may receive an IDVA grant not more than 50 percent of the cost of a specially adapted house, up to the aggregate maximum amount allowable by law. The current maximum grant amount allowable is currently \$63,780. IDVA projects committing \$223,000 to the program in 2018.

## Focus Area #4: Leadership and Capacity Building

As State and federal legislatures enact budgets for specific programs change, coordination efforts between governmental and non-governmental entities are crucial to effectively implementing streamlined affordable housing planning efforts, and policies to maintain adequate funding. Information below highlights local and state affordable housing planning efforts, as well as state and federal legislative changes.

The **Leadership and Capacity Building Focus Area** draws from actions and strategies that are identified in this report's **Technical Plan**, which lays out the long-term planning goals of the Housing Task Force. In this Focus Area, three Technical Plan strategies provided the framework for the current programs and recommended efforts included in this section. These strategies and their accompanying action items are listed on the following page.

#### Focus Area #4: Recommended Technical Plan Strategies and Action Item

Strategies	Actions	Partners	Principle(s)*
Promote equal access to quality housing for the full diversity of Illinois households.	Undertake comprehensive planning for the State in the upcoming Assessment of Fair Housing (AFH), due in March of 2019. Coordinate efforts statewide with CDBG Entitlement grantees, PHAs, and regional efforts, including possible provisions of localized AFH data and information if/when available.	IHDA, DCEO, IDPH, IDHR, Municipalities, Counties, PHAs, IHC	AC
	Research and build best practices for the inclusion of persons with criminal records.	IHDA, IDHR, Non-profits, IDOC	L
Track federal legislation.	Concentrate efforts on federal housing-related legislation which affects existing and future resources, tax reform, and housing finance reform.	IHDA, IHC	L
	Track federal rule-making and provide public comments to streamline process and fully address affordable housing objectives.	IHDA/OHCS, HUD, Treasury, CMMS, CFPB, FHFA	L
Provide and expand affordable housing opportunities in rural Illinois.	IHDA proposes to coordinate/provide capacity-building efforts in rural communities and small cities outside of the Chicago metropolitan area which have indicated an interest in preserving and expanding their affordable housing stock and housing options for residents through community revitalization planning efforts.	IHDA/CAAs/Regional Planning Commissions/PHAs/IIRA/ University of Illinois/Other	L
Generate ideas and strategies for the improvement of the Housing Task Force's Housing Plans.	Assess the current Housing Plan development process for the Housing Task Force to determine possible improvements in the documentation, presentation, and effectiveness of the Annual Comprehensive Housing Plan and Annual Progress Report.	IHDA, HTF	L

\* Creation and Preservation (CP), Affordability and Choice (AC), Leadership (L)

## Leadership and Capacity Building

### Affordable Housing Planning and Appeal Act

The Affordable Housing Planning and Appeal Act (AHPAA) encourages affordable housing production in communities (municipalities with populations over 1,000) throughout the state by requiring communities with less than 10% affordable housing stock (known as ‘non-exempt’ communities) to participate in activities that promote affordable housing. Non-exempt communities are required to produce and approve an affordable housing plan 18 months after the date of notification of their non-exempt status. While there are no major enforcement processes in this law, it codified the state’s intent in providing affordable housing.

The AHPAA also established the Governor-appointed State Housing Appeals Board (SHAB), which is responsible for hearing appeals received from developers who feel that one of their development proposals had been unfairly denied, or unreasonable conditions were placed upon the tentative approval of the development to make it economically infeasible to carry out, by a non-exempt local government.

IHDA, as the administering agency of the AHPAA, produces the non-exempt local communities list every five years. Its most recent update was conducted in December 2013 through the use of the U.S. Census’s American Community Survey (ACS). Sixty-eight new non-exempt municipalities were identified. As of December 2017, IHDA has received 33 affordable housing plans. In December of 2018, IHDA plans to produce a new non-exempt local government list, and provide technical assistance to local governments who need assistance creating and submitting their affordable housing plans.

IHDA also encourages affordable housing development in AHPAA communities through its Qualified Allocation Plan (QAP). In the 2018-2019 QAP, applications for projects located within AHPAA non-exempt communities are now incentivized by being awarded 2 points.

### “Downstate” and Rural Capacity-Building

IHDA will continue to pursue funding opportunities and provide technical assistance to carry out capacity-building efforts in rural communities and small cities located outside of the Chicago metropolitan area. These communities have shown an interest in preserving and expanding their affordable housing stock and options. These efforts include the following:

- Continue to pursue a capacity-building program primarily through a grant from the Illinois Office of Attorney General’s National Foreclosure Settlement Program. This program will allow IHDA to develop a targeted technical assistance program for rural communities and small cities. IHDA would work to identify potential partners in implementing this program, which may include community action agencies, universities, housing authorities, and other interested organizations. This strategy would consider a regional approach to build upon local resources and maximize such partnerships. Building and providing technical knowledge of affordable housing development through tailored training programs would be considered.
- Work with organizations such as University of Illinois-Extension to explore automated alternatives to traditional training, including its webinar series for local government officials.
- Develop an internal technical assistance program to assist local governments in developing viable community revitalization plans, to better identify local needs and resources. This will allow these communities the opportunity to better compete for funding resources, especially Low-Income Housing Tax Credit projects.

### Affirmatively Furthering Fair Housing (AFFH)

On July 16, 2015, HUD published the final rule on “affirmatively furthering fair housing”. The rule encourages a more engaged data-driven approach to assessing fair housing and planning actions. This rule also establishes a standardized fair housing assessment and planning process to give jurisdictions and PHAs a more effective means to affirmatively further fair housing for the purposes of complying with the Fair Housing Act, a certification signed annually by all HUD grantees, including PHAs.

Formerly the Analysis of Fair Housing Impediments (AFHI), the new plan is now the Assessment of Fair Housing (AFH). For CDBG and HOME grantees it is tied to the Consolidated Plan, and is first due prior to the submission

of the grantee's next Five-Year Plan. PHAs for the first time are required to develop their own individual plans, or can become part of their jurisdiction's AFH. PHA assessments are due to HUD prior to submission of each PHA's next Five-Year Agency Plan.

IHDA serves as the coordinating agency for the State Consolidated Plan, and its next Five-year Plan for calendar years 2020-2024 is tentatively due in November 15, 2019. The first and subsequent AFHs are due approximately nine months earlier, so the tentative due date for the state's first AFH is February 15, 2019. This date is subject to change if HUD continues its policy of only allowing Consolidated Plan submittals after Congress and the President authorize program appropriations and HUD announces formula grant allocations.

IHDA has taken or plans to take actions to facilitate development of the AFH in 2018. This includes:

- Conducting a comprehensive survey of all CDBG Entitlement grantees and PHAs in Illinois to better determine the State's jurisdiction/coverage and to identify local collaborative efforts (PHAs in non-CDBG Entitlement areas can opt to be included in the state's AFH);
- Undertaking a collection and analysis of fair housing data from HUD and other sources (note; states are to use the draft State Assessment Tool or former AFH format until the final State AT is published);
- Organizing and implementing efforts to meet the public consultation and citizen participation requirements under the HUD rule;
- Identification of barriers based on data analysis and research on current laws, rules, and policies; and
- Describing possible State actions to address these areas.
- IHDA will work with its other state partner agencies and other interested parties to provide more detail to its plans in the upcoming months.

IHDA has been taking on related actions outside of the rule itself. IHDA views these measures as representative of sound policy and plans to continue these activities into the future:

1. **Opportunity Areas** (discussed in full in the 2017 Annual Comprehensive Housing Plan) – IHDA has determined Opportunity Areas based on poverty level and other indicators measuring access to jobs. Opportunity Areas are updated annually upon availability of census data and IHDA has maintained an open-door policy on incorporation of data sets that best represent the State of Illinois. Opportunity Areas and Proximate Opportunity Areas – areas in close proximity with demonstrable connection – are currently incentivized in the QAP with 10 points.

IHDA continues to research the possibility of changing to an Opportunity Index that would incorporate additional factors into the Opportunity measurement (i.e. education, environmental health, etc.). This index will be circulated for public comment and discussion before adoption by IHDA. All Opportunity Area related research and materials are published on the IHDA webpage at:  
<https://www.ihda.org/developers/market-research/opportunity-areas/>.

2. **Community Revitalization Planning** – IHDA will continue including a scoring criteria to the QAP (equal to up to 10 points) for quality community revitalization planning efforts in qualifying areas that demonstrate affordable housing development as part of a concerted effort to increase opportunity within a community. This effort expands the standard requirements for the content of community revitalization plans, including those involving a project proposed in a Qualified Census Tract (QCT), to include economic revitalization efforts and other localized efforts.. Additionally, IHDA now has two Community Revitalization Specialists to provide and coordinate technical assistance throughout the state as well as oversee the community revitalization scoring efforts.
3. **Concentration and Preservation Metrics** – IHDA has incorporated different market metrics into its review of Preliminary Project Assessments (PPAs) and LIHTC applications since 2012. IHDA utilizes the Affordable Rental Unit Survey (currently mapped and published here: <https://www.ihda.org/developers/market-research/affordable-rental-unit-survey/>) which serves as an estimator of rental affordability (independent of rent restrictions) for each census tract throughout the state. Additionally, IHDA publishes and maintains an Affordability Risk Index, a tool designed to determine the need to preserve affordability by measuring change over time in key market metrics. A full discussion of the risk index can be found on IHDA's webpage at:

4. **Additional QAP Changes** – IHDA's 2018-2019 QAP maintains existing and explores new criteria to make it more responsive to State actions that affirmatively further fair housing. These include:
  - a. Maintaining the Enhancing Accessibility point category which includes language on IHDA's use of the ICC's Universal Housing Design standards as part of its building standards; (also mandating a higher 10%/2% accessibility standard for all projects);
  - b. Highlighting requirements to applicants for action steps in Affirmative Fair Housing Marketing Plans (AFHMPs) to evidence outreach efforts to reach "those groups least likely to apply;"
  - c. Providing priority scoring for projects located in AHPAA communities;
  - d. Continuing the point category for a 5-20% set-aside for supportive housing populations, those being defined as persons with disabilities (a protected class) and/or homeless and at-risk persons and families;
  - e. Requesting local government support, but eliminating any mandated documents. Use of local approval, Consolidated Plan Consistency Certifications, local HOME/CDBG funding, and other public participation documentation as ways to positively reward applicants;
  - f. Retaining income targeting;
  - g. Continuing to incentivize projects which include allowable sources of all federal and state rental assistance to better target lower-income households.

**Proposed actions outside of IHDA include:**

1. Coordinate technical assistance with IDHS to identify and work with PHAs interested in participating in the remedial preferencing policy for persons with disabilities, which was approved by HUD (for Illinois PHAs), as well as PHAs which are providing a match (via public housing units or rental assistance vouchers) to IHDA's Section 811 program to further expand housing opportunities;
2. Assist DCEO in establishing AFFH actions which can be carried out by units of general local government (UGLGs), and CDAP-eligible grantees, including passage and enforcement of fair housing ordinances;
3. Work with IDHS-DMH to continue implementation of the Bridge Rental Subsidy Program, a rental assistance program for persons with mental illness who are moving from institutions into community-based housing;
4. Develop ways to encourage the use of the Property Tax Abatement Opportunity Act by PHAs and developers to encourage landlord participation in the HCV Program with rental properties in opportunity areas;
5. Work with IDHR to promote training to local governments and PHAs on HUD's new Equal Access Rule and the Illinois Human Rights Act.

**Economic Impact Analysis/IHDA Economic Impact Report**

For each State Fiscal Year, IHDA's Department of Strategic Planning and Research (SPAR) produces an Economic Impact Report to assess the economic impact of new housing and rehabilitation construction generated through the Authority's various single and multifamily housing programs. These reports include data on the Authority's new construction and housing rehabilitation activities, and homeownership assistance IHDA provided under its various housing programs. This report measures the expected impact of this activity on employment, local business income and wages, and taxes.

IHDA finalized its 2017 Economic Impact Report in November of 2017. For FY2017, IHDA's single and multifamily programs helped in the creation of an estimated 6,806 full-time jobs in construction and construction-related industries. The Authority's activity also generated nearly \$586 million in federal, state and local taxes and fees, as well as local business income and wages. This, with the addition of a return of \$97 million federal tax dollars to the State, demonstrates that the Authority is a major contributor to the economic and financial health of Illinois.

## Federal Legislation

### Appropriations

Congress passed and the President signed into law on December 22, 2017 a third Continuing Resolution based on FFY 2017 funding levels to keep the federal government funded through January 19, 2018. This action also extended the Children's Health Insurance Program (CHIP), and also included a PAYGO waiver to prevent the tax bill from triggering a \$150 billion a year in cuts to Medicare and other federal programs. Congressional leadership and the Administration are now working to negotiate a new bipartisan budget agreement to set higher spending caps for defense and non-defense discretionary programs than those provided by the Budget Control Act of 2011. Once these final budget caps are determined, the twelve appropriations committees will then need to decide FFY 2018 program funding levels within those caps. To allow time for this work to be completed, Congress may need to pass a fourth short-term Continuing Resolution.

### Tax Reform

The Tax Cuts and Jobs Act was signed into law by the President on December 22, 2017. Major provisions and highlights impacting affordable housing were as follows:

- It lowers the corporate tax rate from 35% to 21%, effective January 1, 2018. There is concern about the impact of this change on investor interest in tax credits, especially for 4% acquisition projects.
- The Low Income Housing Tax Credit (LIHTC) was retained, including the 30% basis boost. The final legislation also included a new "base erosion and anti-abuse tax ("BEAT") , which impacts a bank's ability to use LIHTC, R&D, and other credits to offset certain taxes related to foreign earnings and earnings going to foreign parent companies. The final legislation exempts LIHTC and R&D credits at 80% of the value of these credits. This does not include NMTC or HRTC credits.
- Private activity, tax-exempt bonds were also fully retained, including single-family and multi-family housing bonds. This also has a positive impact on LIHTC 4% credits, which generally need this financing to be feasible.
- It extends the New Markets Tax Credit (NMTC) Program, allocating \$3.5 billion each in 2018 and 2019.
- It retains the Historic Rehabilitation Tax Credit (RHTC) program, but investors would now claim this credit over five years instead of the date the project is placed in service. The credit as such was extended from one to five years.
- Regarding the mortgage interest deduction, it lowers the cap on the eligible mortgage principal from \$1 million to \$750,000, and applies to new first and second home purchases after December 31, 2017. It also lowers the number of taxpayers likely to take advantage of the "MID" by increasing the standard deduction to \$12,000 for individuals and \$24,000 for married couples.
- It limits the amount of allowable deductions for State and local property and/or income taxes to \$10,000 per household.
- It creates Qualified Opportunity Zones which would incentivize investments in distressed communities through capital gains deferrals.

There are a number of other important changes in deductions, allowances, and depreciation that were also authorized, but these are the major features impacting affordable housing.

### Legislation

While there has been a flurry of activity in the new Congress, there has been little progress in bills moving toward a floor vote or approval related to affordable housing. Here are the highlights:

- Affordable Housing Credit Improvement Act of 2017 ((S.548/HR 1661) has both bills that contain near-identical provisions to strengthen the 4%/housing bond program, support preservation of existing housing, facilitate development for hard to reach populations and in challenging markets, provide new flexibility and simplify program requirements, address fair housing concerns, conserve affordable housing resources, promote energy efficiency and use of solar energy, and renames the program. In addition, the Senate bill increases the LIHTC authority by providing a phased-in increase of 50% of the



per capita amount that is used to calculate State allocations. This may be included in a technical corrections bill attached to the upcoming appropriations bill.

- Access to Affordable Housing Act (HR 4185) increases the LIHTC per capita amount by 50% same as the Senate bill does above.
- There are 5 House bills and 2 Senate bills to re-authorize the National Flood insurance program and propose major policy changes.
- There are separate bills to re-authorize both the New Markets Tax Credit Program and the Historic Rehabilitation Tax Credit program-both expire by end of year 2017, but they have received short-term extensions under the tax reform law.
- Regarding housing finance reform, bills are pending in both the House and the Senate, but it is anticipated that the President will issue an Executive Order in early 2018 which will lay out the Administration's housing finance reform proposals, and also direct HUD and Treasury to produce a report by mid-year examining various options, including proposals related to Fannie Mae and Freddie Mac, FHA mortgage insurance programs, Rural Development (RD), and Veterans Affairs.

## State Legislation

### The Property Assessed Clean Energy (PACE) Act

The Property Assessed Clean Energy (PACE) Act was signed into law as Public Act 100-0077 by Governor Rauner on August 11, 2017. It allows units of local government (cities, villages, and counties) to establish a new source of funding energy efficiency improvements on commercial properties. This includes multi-family residential properties of five or more units, but not single-family housing.

The PACE bill authorizes the governing body to establish a "PACE area" within its jurisdiction to finance a variety of energy efficiency and water conservation improvements through the use of special tax assessments on property owners who are interested in participating. The local government must specify the property types that are eligible in its authorizing resolution. The law authorizes the use of locally issued bonds under the Special Assessment Supplemental Bond and Procedures Act to finance energy projects under the PACE program. Additional information on PACE can also be found on page 40.

### The Installment Sales Contract Act

On August 25<sup>th</sup>, 2017, Governor Rauner signed in to law the Installment Sales Contract Act (P.A. 100-0416), which broadened protections for homeowners against predatory rent-to-own contracts. These contracts increased during the aftermath of the foreclosure crisis, and resulted in the rise of low-income homebuyers who defaulted on high interest loans.

Key consumer protection provisions in the law include:

- Creation of Installment Sales Contract Act regulating sellers of 1-4 unit residential properties who enter into contracts more than 3 times in any 12-month period.
- Requires a written contract for these sales that must include certain information, including any balloon payments due on the property and defining who is responsible for repairs, taxes and insurance. Buyers are generally responsible for these items, but that that may not be clear to the purchaser.
- Requires the buyer to receive an amortization schedule prior to closing, so they understand how much of their monthly payment will be applied to principal and interest and how long it will take to pay off the loan.
- Requires disclosure of building code violations and fair cash value, as reflected on tax bills, so that prospective buyers have some sense of the condition and value of the home.
- Creates a 3-day "cooling off period" after the seller has presented the contract to the buyer in its full and final form. During this time, parties cannot be bound to sign the contract and can review an educational disclosure document provided by the seller and prepared by Office of the Attorney General that will describe issues to consider, such as having the property appraised and inspected, before signing the contract.
- Mandates the seller create a public record of the sale to protect the buyer's ability to obtain a clear title to the home.

- Allows buyers 90 days to cure defaults before the seller can try to evict them if the buyer misses a payment.
- Bans certain predatory loan terms, such as putting the buyer in default of the contract for failure to repair preexisting conditions and penalties for prepaying the loan.

### **Illinois General Assembly: 2018 Schedule**

Below is a brief list of relevant dates for the Illinois General Assembly in 2018:

- January 23<sup>rd</sup> - The House convenes in Springfield, Illinois
- January 30<sup>th</sup> - The Senate convenes in Springfield, Illinois
- January 31<sup>st</sup> - The Governor is set to give the State of the State Address
- February 14<sup>th</sup> - The Governor is set to give the State of the Budget Address
- May 31<sup>st</sup> - The Illinois General Assembly Adjourns

## 2018 Housing Production Plan Recommendations

The Housing Production Plan recommends how the State will invest its resources for additional housing for Illinois families and individuals. Housing Production Plans are required by the Comprehensive Housing Planning Act as they set funding goals to serve the needs of the identified Priority Populations.

Every effort is made to present a complete and reliable list of current resources and their expected availability in the Housing Production Plans. Over the years of Comprehensive Housing Planning, it has become clear that it is often difficult to present wholly accurate information in the annual Housing Production Plan. One of the main reasons for this is that the very nature of affordable housing financing requires flexibility and many of the resources commonly accessed are subject to changes, delays, annual fluctuation in amounts, and in some cases, absorption or re-appropriations.

The amounts listed for each funding source are to be considered estimates or expected amounts to be made available in 2018. Should any major changes be made to the funding listed in the Housing Production Plans or should any new or unanticipated resources become available in 2018, details on these programs will be included in future Comprehensive Housing Plan reports.

## 2018 Housing Production Plan

The following Housing Production Plans show each housing program under State of Illinois administration with estimates for 2018 fund availability. Estimates for multi-family unit production are calculated using an average statewide per unit cost after an analysis of the most recent data available in IHDA's unit inventory database. This analysis takes into account the varying range of costs associated with geographic region, unit type, and development type (rehab vs. new construction). The 2018 estimates for households assisted in the single-family production chart were provided by the administering agency of each program. Unit distributions for each priority population in both charts were determined using historical data from previous ACHP Annual Progress Reports.

These production charts show two major factors: the historical funding breakdown of these priority populations, and ongoing policies and goals to encourage a higher percentage of supportive housing. Please also keep in mind that much of the PSH production is financed through LIHTC 10% set-aside (Statewide Referral Network) housing units, which are part of larger family or elderly housing developments.

LIHTC and Illinois State Donation Tax Credits do not represent an actual monetary amount or capital investment for the actual development until the tax credits are sold (syndicated) to a willing buyer. This syndication process generates a cash equity, which is then generally used to help fund the development. When associated with either of the tax credit programs, dollar amounts are currently estimated at 95 cents on the dollar. The LIHTC program equity amount is also multiplied by ten (the numbers of years those tax credits are available) to calculate the total amount of equity produced.

## 2018 Housing Production Plan – Multi Family Programs

2018 Multi Family Housing Production Plan		
Agency and Program	Source	2018 Estimated Funds Budgeted
<b>IHDA Administered:</b>		
Low Income Housing Tax Credit (9%)	Federal Credits	\$ 23,500,000
	Equity Raised	\$ 218,500,000
Low Income Housing Tax Credit (4%)	Federal Credits	
	Equity Raised	\$ 58,725,000
Illinois State Donation Tax Credit (IAHTC)	Donation Amount	\$ 42,849,828
	Tax Credit Allocation	\$ 21,424,914
HOME	Federal	\$ 11,458,619
Illinois Affordable Housing Trust Fund	State	\$ 33,923,217
National Housing Trust Fund (NHTF)	FHFA/HUD	\$ 7,163,487
Tax Exempt Bonds	Federal	\$ 200,000,000
Taxable Bonds	Private	\$ 50,000,000
Affordable Advantage Mortgage	Federal	\$ 10,000,000
Credit Advantage Mortgage	Federal	\$ 50,000,000
IHDA/HUD Federal Financing Bank/US Treasury Mortgage	Federal	\$ 125,000,000
<b>IDVA Administered:</b>		
Adaptive Housing Program for Veterans	State/AHTF	\$ 223,000
<b>TOTALS</b>		<b>\$ 786,418,237</b>
<b>TOTAL NUMBER OF UNITS PRODUCED at \$235,483/UNIT</b>		<b>3,340</b>

Average Distribution of Units Produced by Priority Population, 2013-2016		
Priority Populations	Estimated Unit Distribution	Estimated Number of Units
Low Income Families	45%	1503
Senior	30%	1002
Supportive Housing	25%	835
<b>TOTAL</b>	<b>100%</b>	<b>3,340</b>

## 2018 Housing Production Plan – Single Family Programs

2018 Single Family Housing Production Plan		
Agency and Program	Source	2018 Estimated Funds Budgeted
<b>IHDA Administered:</b>		
1stHomeIllinois	Federal	\$ 21,750,000
(@)HomeIllinois	State	\$ 900,000
I-Refi	Federal	\$ 14,800,000
Program A (Access 4%)	State	\$ 18,000,000
Program B (Access 5%)	State	\$ 3,750,000
Program C (Access 10%)	State	\$ 8,000,000
Hardest Hit Fund (HELP Program)	Federal	\$ 62,500,000
Illinois Affordable Housing Trust Fund*	State	\$ 6,076,783
<b>DCEO Administered:</b>		
CDBG Housing Rehabilitation	Federal	\$ 6,750,000
Illinois Home Weatherization Assistance Program	Federal/State	\$ 42,830,507
<b>TOTALS</b>		<b>\$ 185,357,290</b>
<b>ESTIMATED TOTAL NUMBER OF HOUSEHOLDS ASSISTED</b>		<b>21,229</b>
*Funding committed for Trust Fund include amounts for the Habitat for Humanity Community Impact Fund, Home Accessibility Program, and Single Family Rehabilitation programs.		

Average Distribution of Households Assisted by Priority Population, 2013-2016		
Priority Populations	Estimated Unit Distribution	Estimated Number of Units
Low Income Families	60%	12,737
Senior	30%	6,369
Supportive Housing	10%	2,123
<b>TOTAL</b>	<b>100%</b>	<b>21,229</b>

## Residential Services Programs

In addition to developing and rehabilitating affordable housing, the State of Illinois provides housing- related assistance and services to the Priority Populations through a variety of programs administered by its State Agencies. The following Residential Services Programs table identifies many of the State's efforts to provide services to Priority Populations in 2018. The funds identified on this table do not include all service resources, but focus on those that relate directly to housing. It is important to note that the programs listed below are not necessarily tied to units assisted via multi and single-family production efforts. Therefore, in progress reporting, the population and number of persons or households served through each funding source will be considered individually and reported as accurately as possible, but the total households or individuals assisted will not represent all new clients.



## Residential Services Chart – 2018 Housing Production Plan

Residential Services Programs / 2018 Housing Production Plan				
Program	Source	Estimated Budgeted Funds	Priority Population	Estimated Number Assisted
DCEO Administered:				
Low Income Home Energy Assistance Program (LIHEAP)	Federal/State	\$187,700,000	Low Income Families, Seniors, Special Needs	373,133 households
DCFS Administered:				
Norman Housing Advocacy	GRF	\$1,018,000	Low Income Families; Homeless	1,200 Families
Norman Cash Assistance Program	GRF	\$2,778,000		2,200 Families
Youth Housing Advocacy	Federal	\$303,000	Homeless	300 Youth
Youth Cash Assistance	Federal	\$197,000		150 Youth
IDHFS Administered:				
Supportive Living Program	GRF	\$186,878,862	Homeless; Special Needs	12,299 individuals
IDHS Administered:				
Emergency and Transitional Housing	GRF/AHTF	\$8,900,000	Homeless	33,000 Individuals
Homeless Prevention Program	GRF/AHTF	\$4,000,000	Homeless	4,000 Individuals
Supportive Housing Program	GRF/Medicaid Trust Fund	\$7,382,500	Homeless; Special Needs	10,000 Individuals
Supportive Housing Program (Bridge Rental Subsidy)	GRF	\$14,210,000	Williams Consent Decree Populations	1,800 Individuals
Domestic Violence Program	GRF	\$21,814,589	Homeless	51,000 Individuals (adult & children)
Assistance to the Homeless Fund	State	\$300,000	Homeless	63 shelters
Homeless Youth Services Program	GRF/AHTF	\$4,944,708	Homeless	2,146 Homeless Youth
Emergency Solutions Grant	Federal	\$5,594,009	Homeless	20,500 individuals and/or families

## Residential Services Chart – 2018 Housing Production Plan – Continued

Residential Services Programs / 2018 Housing Production Plan, Continued				
Program	Source	Estimated Budgeted Funds	Priority Population	Estimated Number Assisted
<b>IDoA Administered:</b>				
Community Care Program	GRF	\$932,973,000	Low Income Seniors	67,478,900 individuals/monthly
Colbert Bridge Rental Subsidy Initiative	GRF	\$13,800,000	Colbert Consent Decree Class Members Only	1,360 Individuals
<b>IDPH Administered:</b>				
Housing for Persons with AIDS/HIV	Federal	\$2,500,000	Low Income; Homeless; Special Needs	411 Individuals living with HIV/AIDS
<b>IHDA Administered:</b>				
Abandoned Properties Program	State	\$8,750,000	NA	3,379 properties
Rental Housing Support Program	State	\$9,640,527	Low Income; Homeless; Special Needs; Seniors	1120 Individuals
HUD Section 811 Project Rental Assistance	Federal	\$11,411,437	Low Income; Special Needs	370 Individuals
Blight Reduction Program	Federal	\$5,244,912	NA	216 properties
<b>IDVA Administered:</b>				
Prince Home Program for Veterans	Federal	\$809,300	Homeless; Special Needs	15 Individuals
<b>Residential Services Programs Totals:</b>		<b>\$1,431,149,844</b>		

## 2018 Technical Plan Recommendations

The Technical Plan contains the Housing Task Force's long-term planning goals. Specific action items were suggested by Housing Task Force members, grouped in broader strategies and organized by a Housing Principle (described in more detail below). The Technical Plan is updated as needed (new action items are added and existing action items are modified as necessary). Each year active action items are prioritized by Housing Task Force members and used to guide the Focus Areas.

### Housing Principles:

#### **Affordability & Choice:**

Stable and affordable housing is a prerequisite to achievement of individual and family success. A full range of quality housing options, both single family and multifamily homes, available and accessible in communities throughout the state, is an essential part of meeting the needs of all income groups and special needs populations. Strategies employed to assure affordability and choice must promote equal access, create housing options in the least restrictive environments, prevent homelessness, support homeownership and rental options, and coordinate housing and services.

#### **Creation & Preservation:**

To ensure ongoing affordability, investment of public and private resources must be directed toward the preservation of existing housing and creation of new affordable housing assets. The State should seek to bring down the cost of development, reduce the ongoing cost of operations, and assure the development of a range of housing types.

#### **Leadership:**

Recognizing that housing is not just bricks and mortar but the foundation for personal achievement and community involvement, it is critical for policymakers at all levels of government and in all types of communities to guide and promote housing as fundamental to community and economic health. Leadership requires accountability through identifying priorities, setting goals for the use of resources that reflect these priorities, and reporting on production and preservation. Promoting housing includes ensuring that every area and group can fairly compete for resources, requiring focused training and technical assistance for communities and housing providers.

ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Affordability and Choice		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Implementation of Affordable Housing Planning and Appeal Act</b>		
Identify data and administrative needs to issue a new determination of non-exempt communities under the AHPAA utilizing American Community Survey (ACS) Census Data. Monitor and report on availability of needed census data sets.	IHDA, Community Partners	Next 5 years but to be produced in December 2018
Complete the drafting of administrative rules of operation for the fully appointed State Housing Appeals Board.	IHDA, Community Partners, Governor's Office	Completed, 2013
Continued outreach, presentations and discussions with non-exempt and at-risk of non-exemption communities throughout Illinois.	IHDA, Community Partners	Ongoing
<b>Promote equal access to quality housing for the full diversity of Illinois households through education, enforcement and equitable allocation procedures</b>		
Increase awareness of landlord-tenant rights and responsibilities through education programs and materials including information on fair housing.	IDHR, CIC, Property Owners	Ongoing
Recognize communities that have actively engaged in promoting diversity for housing, anti-discrimination activities and challenge barriers to fair housing.	IDHR, Community Fair Housing Groups	Ongoing
Implement HUD's Affirmatively Furthering Fair Housing and Assessment Tool Rules through coordinated Assessments of Fair Housing.	IHDA, DCEO, IDPH, IDHR, Municipalities, Counties, PHAs	Ongoing: First AFH tentatively due in February of 2019
Determine ways to assist IDHR.	IDHS, IHDA, IDHR, DCEO	Ongoing
Contingent on funding, implement rural/small city development capacity building program.	IHDA, OAG, Municipalities, Other Parties	SPAR Community Revitalization TA Program is underway
<b>Expand access to housing for persons with disabilities transitioning from institutional settings to community-based housing and other specials needs populations</b>		
Seek improvements and funding opportunities to expand features of the Statewide Housing Locator.	IHDA, IDHFS, IDHS, IDoA	Ongoing
Train transition coordinators on the rights of persons with disabilities and resources under Fair Housing laws, especially the Reasonable Accommodations, and on affordable housing programs. Enhance this training for compliance with consent decrees.	IHDA, IDHFS, IDHR, IDHS, IDoA, HUD	Ongoing
Improve the affordable housing referral network to connect persons with disabilities and other special needs to available, affordable and appropriate housing.	IHDA, IDHFS, IDHS, IDoA	Ongoing
Research and promote best practices for improving access to affordable housing to a variety of specials needs populations including: accessibility, veterans, reasonable accommodations, Reentry populations, LGBTQ and other specials needs groups.	IDHR, IHDA, IDHS, IDOC, IDVA, Property Managers, owners	Ongoing

ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Affordability and Choice		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Maximize use of Medicaid waiver program to serve the housing and service needs of elderly and special needs populations living in community-based housing</b>		
Support State's approved "Memory Care" SLP, and support more SLP for persons with physical disabilities.	DHFS, IHDA, IDVA, IDHS, Governor's Office	Ongoing (applications for the Supportive Living Program Dementia Care Settings are under review )
Support State's transition to Managed Care.	DHFS, IDHS, Governor's Office	Ongoing
Determine feasibility of expanding CCRS demonstration program as an alternative housing option for older adults in community-based settings.	IDHFS, IDoA, IHDA	On Hold
Explore Medicaid waiver payment to support housing for persons with mental illness and/or DD.	IDHFS, IDHS	See Section 1115
Review the taxonomy of General Revenue-funded PSH services provided through the Bureau of Supportive Housing, Rule 132 mental health services (MRO) and approved Rule 2090/2060 DASA services. Will allow for redefining into categories of similar services and streamline billing for providers, while maintaining current funding for those individuals in GRF-Funded programs who are not eligible for Medicaid and/or require services that are not currently allowed under Medicaid.	DHFS, IDHS, IDPH	Ongoing
<b>Expand capacity and enhance services offered by housing counseling agencies</b>		
Support efforts to maintain a variety of counseling services such as foreclosure prevention, homebuyer, renter and post purchase.	IHDA, Counseling agencies	Ongoing (FPP, NFMCI)
Finalize rules and administer funding appropriated in compliance with the Save Our Neighborhoods Act of 2010 (as amended by SB16), a portion of which will be used to provide grants to fund housing counseling agencies.	IHDA	Completed/Ongoing
Expand the knowledge base of housing counselors by increasing training initiatives for housing counselors.	IHDA, Counseling agencies	Ongoing
Continue funding for housing counseling with ongoing commitment of federal resources.	IHDA, Counseling agencies	Ongoing
<b>Support foreclosure prevention initiatives</b>		
Focus available and research new resources to create additional programs for at-risk homeowners to refinance problematic mortgage terms in favor of lower interest/fixed rates, safer terms and reduced principals.	IHDA, Financial Institutions, IDFP, Governor's Office, State Agencies	HHF/I-Refi/Reverse Mortgage/Other Programs
Promote expansion of mediation programs that provide court-appointed legal help to Illinoisans facing foreclosure (e.g. Cook County Mortgage Foreclosure Mediation Program).	IHDA, Financial Institutions, County Clerk Offices, County Courts	Completed
Continue to support all avenues of public and private loan modification programs, including settlements from lawsuits from large lenders.	IHDA, IDFP, Counseling agencies, Financial Institutions, Mortgage Insurance Companies	Ongoing
Identify and utilize appropriate ongoing foreclosure prevention efforts and planning that can expand understanding of major issues not-yet addressed as part of State's response to Foreclosure Crisis and increase the State's ability to address these issues.	IHDA, Governor's Office, Foreclosure Working Group	Ongoing (see Abandoned Properties Program & Land Banking Program)

ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Affordability and Choice		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Promote and expand home repair programs that preserve single family housing stock throughout the state</b>		
Explore best practices for lead-based paint remediation in coordination with existing efforts within a realistic cost framework.	DCEO, IHDA, IDPH, State Agencies, Governor's Office	Ongoing
Explore improved coordination of existing weatherization programs with affordable housing rehabilitation funding.	DCEO, IHDA	Under Review
Formalize partnerships with DCEO and other State agencies to pair energy-efficiency programs with additional resources for homeowners and rental property owners to increase and encourage more affordable property maintenance and operations.	IHDA, DCEO, State Agencies, Utility Companies	Coordinate with Utility Companies
Provide funding from Affordable Housing Trust Fund to match with DCEO-administered Community Development Assistance Program (CDAP) and with the DCEO-administered Weatherization Assistance Program to maintain the number of households that can be assisted under these programs.	IHDA, DCEO, State Agencies	On Hold
Explore sources for additional financing for matching funds for existing home repair programs.	DCEO, IHDA, State Agencies	Under Review
Encourage and provide support for individuals doing small-scale rehabilitation.	DCEO, IHDA, State Agencies	On Hold
<b>Explore options to reduce operating costs for existing affordable housing</b>		
Develop training opportunities to transfer best practices in operating cost savings to underwriting and development of new rental properties.	IHDA, IHC	Needs further development
Create an Inventory and publicize cost-saving insurance pooling opportunities and existing and new energy co-op and bulk purchase opportunities to encourage use by managers and developers of affordable housing.	DCEO, IHDA, State Agencies, CMS, Developers, Community Partners, IHC	On Hold
Utilize green building efforts to identify operating cost measures/policy, as well as funding coordination opportunities to promote green incentives for affordable housing throughout Illinois.	IHDA, DCEO, IHC, Enterprise Foundation	Ongoing
<b>Encourage affordable housing developers to incorporate energy efficient systems and green materials into their projects</b>		
Assist affordable housing developers to access all available sources of energy efficiency funding.	IHDA, DCEO, State Agencies, Developers, Utility Companies	Continue work on leveraging funding options
Inventory all existing federal, State and private energy conservation resources and promote coordinated funding structure with IHDA and other housing development programs.	IHDA, DCEO, State Agencies, Developers, Utility Companies	See above
Promote proven energy efficiency design innovations to determine cost savings measures for affordable housing developments.	IHDA, IHC, Utility Companies	Ongoing
Expand State's weatherization programs (i.e. IHWAP) to include an expanded role for rental properties as well as continued assistance to single-family programs.	IHDA, DCEO, State Agencies, Developers	Ongoing
Incorporate successful and existing cost-effective energy innovations that go beyond the scope of normal energy efficiency programs into lending practices for rental development (e.g. performance based contracting, geothermal heating, solar applications, et.al.). Conduct cost-benefit analysis when appropriate.	IHDA, State Agencies, Developers	Ongoing
Research the true cost of energy efficiency/green building efforts in reducing operating costs.	IHDA, Housing Task Force	To be scheduled

ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Affordability and Choice		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Explore feasibility of rental housing pilot programs in rural communities and addressing the needs of migrant farm labor workers</b>		
Examine successful farm laborer-based housing initiatives nationwide and determine applicability to Illinois.	USDA-RD, IHDA, DCEO, IDPH, Illinois Migrant Council	Needs Review
Review and promote information about farm workers' rights regarding their housing and Farm Labor Camp Law.	USDA-RD, IDPH, DCEO, IDHS, IHDA, IDHR, Illinois Migrant Council	Needs a Sponsor
<b>Support efforts to create, preserve and support rental assistance programs</b>		
Encourage regional coordination among PHAs.	PHAs, Local Governments, HUD	Unclear Status
Identify priority populations best suited for the use of housing choice vouchers (DCEO is no longer operating its HCV Program).	NA	NA
Encourage maintenance and expansion of fair share and special purpose Housing Choice Vouchers. New continued administration of RA Program RHSP/Section 811/PBV.	PHAs, IHDA	Ongoing
<b>Assist communities to develop a balance of affordable homeownership and rental opportunities</b>		
Support single-family rental programs (e.g. AHTF).	IHDA	Ongoing
Protect tenants of foreclosed properties.	Counseling Agencies	On Hold
Support responsible and affordable homeownership programs for low- to moderate-income households, including down payment assistance programs.	IHDA, USDA, Counseling Agencies	Ongoing
Continue identification and program development efforts to further affordable rental housing development, including rental assistance programs (Section 811, RHSP and PBV).	IHDA, LAAs, PHAs, Developers, IHC	Ongoing
Continue identification of homeowner repair programs and funding opportunities to promote preservation.	IHDA	Ongoing
Continue to support and promote housing counseling programs.	IHDA	Ongoing
<b>Seek and coordinate federal/state/local resources to further assist current and expanded supportive housing populations (veterans, LGBTQ, youth)</b>		
Identify additional programs and funding sources to assist.	Interagency Committee, Housing Task Force's Supportive Housing Working Group, ICH	Ongoing
Continue to assess housing and services need, to better address special needs populations using regular data collection analysis.	IDHS, IDOC, Housing Task Force – Supportive Housing Working Group, IDVA	
<b>Research the coordinate assessment intake to more efficiently meet homeless needs.</b>		
Review current intake assessments and assess their relationship to the coordinated assessment intake. Further develop systems where needed, such as the Uniform Assessment Tool.	IDHFS/Interagency Committee	Ongoing
<b>Expand and support availability and access to supportive living services</b>		
Evaluate Illinois Medicaid 1115 Waiver requirements and options for supportive housing services.	IDHFS/Interagency Committee	Ongoing
Continue to promote PHA Preferencing for PHAs.	IHDA, IHDS/PHAs	Ongoing



ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Creation and Preservation		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Directly address the demand for deinstitutionalization by creating opportunities for community-based living</b>		
Continue to investigate community-based housing models for persons with mental illness and developmental disabilities.	IHDA, IDHFS, IDHS, State Agencies	Ongoing
Provide information and education regarding available resources to encourage Universal Housing Design and visitability programs in all housing.	IHDA, IDHS, State Agencies, IHC	Ongoing
Develop strategies to assist in meeting post-Money Follows the Person standards and annual transition goals.	IDHS, IHDA, IDoA, IDHFS	Ongoing
Identify cost savings from State's deinstitutionalization efforts and develop plan to recapture this savings and reinvest it.	GOMB, IDHFS, State Agencies, Housing Task Force – Supportive Housing Working Group	Ongoing
Explore opportunities to increase supply of rental and operating assistance for existing and/or planned developments serving persons with disabilities.	IHDA, IDHS, IDoA, IDHFS, Housing Task Force	Ongoing – Targeting PSHD Funding
Partner with community-based organizations, municipalities and other partners to utilize foreclosed properties as affordable rental housing opportunities for populations transitioning to community-based settings.	IHDA	Ongoing
Utilize Build Illinois Bond Fund to expand housing for homeless and at risk veterans.	IHDA, IDVA, Governor's Office	Completed
Explore all options to create housing opportunities for consent decree class members, including within existing housing stock.	IDHS, IDHR, IHDA, HUD, PHAs	Ongoing
<b>Reinvestment in Illinois' communities via innovative and effective reuse of foreclosed properties</b>		
Explore the effectiveness of "short-sale" models where foreclosed properties are sold and then rented to the previous owner at a more affordable level.	IDFPR, OAG	Under Review
Finalize rules and administer funding appropriated in compliance with the Save Our Neighborhoods Act of 2010 (as amended by SB16), a portion of which will be used to provide grants to aid municipalities maintaining abandoned properties.	IHDA, City of Chicago, Counseling Agencies, Community Based Organizations	Ongoing
Identify opportunities to collaborate with local governments, community-based organizations and non-profits to access foreclosed properties as affordable rental housing to benefit low-income families and special needs populations.	Housing Task Force, IHDA, Municipalities	Ongoing - APB/BRP/Land Bank Program
Encourage community land trust and other deed restriction mechanisms to assure that affordable homes created by government support remain affordable (e.g. Cook County Land Bank Authority and the South Suburban Land Bank and Development Authority).	IHDA, Developers, Local Governments	Ongoing – New Land Bank program
Seek resources and mechanisms to build upon ongoing neighborhood and sub-area efforts and increase the capacity of neighborhood vacant property purchase and rehabilitation for rental or resale programs with counselling services.	IHDA, Housing Task Force, Regional Partners	Ongoing - APB/BRP/Land Bank Program
Explore options to encourage the purchase and conversion of foreclosed properties into scattered site rental, including private market and tax incentives.	Housing Task Force, IHDA	Under Review

ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Creation and Preservation		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Expand mortgage lending tools/products/programs for first-time homebuyers</b>		
Establish new financing resources and investments to support home mortgage lending by private institutions in cooperation with the State's housing finance agency.	IHDA, Financial Institutions	Ongoing
Continue Welcome Home Heroes Program or a similar veteran's mortgage assistance effort. This program was completed and incorporated into existing programs.	IHDA	Completed
Encourage use of Guaranteed Loan Programs when market improves.	IHDA, Financial Institutions, USDA-RD	On Hold
Continue and expand comprehensive Employer-Assisted Housing programs that provide purchase price subsidies, low interest rates, down payment and closing cost assistance and intensive pre- and post-purchase counseling.	Businesses and Employers, Developers, Local Communities, EAH Advocates and Administrators, IHDA	Needs further and refinement
<b>Increase access to Tax Exempt Bond financing</b>		
Encourage the utilization of bond pooling to reduce the costs associated with issuance to individual projects and developments in smaller communities.	IHDA	On hold
Investigate expanded marketing strategies and structures to revitalize investor interest in tax-exempt bond purchases through direct placements with pension funds, corporations and financial institutions.	IHDA, GOMB	On hold
Maximize the effective use and accountability for issuance of tax-exempt bond volume cap for multi-family and single-family affordable housing developments. By ensuring that the bond volume cap is allocated to various entities in the state maximizes the value of the resource and that bond issuers report on the households served based on type of housing, income of beneficiaries and ongoing affordability of units assisted.	GOMB, All State Bond Issuers	Ongoing
<b>Explore non-traditional funding sources</b>		
Develop and promote specific Tax Increment Financing (TIF) models for affordable housing via providing training opportunities on TIF for affordable housing development.	IHDA, DCEO, Community Partners	On hold
Support and administer multi-year capital funding bill that includes an IHDA-administered affordable housing funding program.	Governor's Office, GOMB, IHDA, Housing Task Force	On hold
<b>Develop additional LIHTC syndication and investment options</b>		
Support legislative and regulatory changes for LIHTC to increase and expand investor interest and entice investment, e.g., increasing per capita amount formula	IHDA, Developers, Community Partners, Equity Funds, Lenders, IHC	Ongoing
Encourage development community to participate in QAP drafting process.	IHDA	Completed – see LIHTC summits and TA sessions
<b>Seek and expand additional opportunities and incentives for private financial institutions to participate in financing of affordable housing development</b>		
Create financing structures to encourage private financial institutions to participate in affordable housing development, especially in small communities.	Governor's Office, GRAC, Financial Institutions, IHDA, State Treasurer's Office, IDFP, GSE's, USDA-RD	On hold
Create shared risk lending pools for single and multi-family housing rehabilitation with layered public and private funds for areas of the state currently underserved by these financials tools.	Governor's Office, GRAC, Financial Institutions, IHDA, State Treasurer's Office, State Bank Regulators, GSE's, USDA-RD	Under Review
<b>Effective Utilization of the Illinois Affordable Housing Tax Credit funding for development of affordable housing</b>		
Expand mechanisms to market and link investors to eligible projects.	IHDA, IDHS, Governor's Office, IDOR, Advocacy Organizations	Ongoing
Increase eligible uses for IAHTC, such as rental assistance, IDAs and homebuyer assistance.	IHDA, Community Partners, Counseling Agencies	On hold

ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Creation and Preservation		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Implement strategy to prioritize the preservation of federally assisted housing at risk of expiring (especially those with rental assistance)</b>		
Design technical assistance, inspection enforcement and financing programs to assist existing and new owners to preserve affordability, address exit tax and valuation issues and quality of assisted housing units.	IHDA, Financial Institutions, Non-Profit and For-Profit Developers	Ongoing
Develop a comprehensive Federally Assisted Housing Preservation Act program to include technical assistance for tenant empowerment and favorable affordable financing considerations.	IHDA, Financial Institutions, Non-Profit and For-Profit Developers	Ongoing
Explore opportunities to use tax-exempt bonds, new Treasury bond purchase program and 4% tax credits for streamlined acquisition and preservation financing (RAD).	IHDA, Non-Profit and For-Profit Developers, PHAs	Ongoing
Support federal legislation to provide exit tax relief and similar tax incentives to promote preservation of existing affordable housing.	IHDA, Financial Institutions, Non-Profit and For-Profit Developers	Ongoing
<b>Improve coordination with local housing entities to increase financing opportunities</b>		
Explore methods to improve coordination between State agencies, public housing authorities, local governments and developers – especially in rural areas of Illinois (Rental Assistance demos and other multifamily financing projects).	IHDA, PHAs, Developers, Local Governments	Ongoing
Examine methods to expand the capacity of Community Housing Development Organizations to better serve a variety of housing needs throughout the state (including multifamily development) and continue to implement existing program.	IHDA, HUD, CHDOs	Ongoing - Renewed emphasis
Identify and analyze publicly funded affordable housing investments throughout the state as part of coordinated reporting and mapping/inventory of State resources and commitments.	All State Agencies	On hold
Explore funding and planning models that encourage and allow scattered-site rental redevelopment providing neighborhood-integrated rental housing of all types.	IHDA	Under Review
<b>Identify new and expand existing Federal and State resources and initiatives for foreclosure prevention and mitigation</b>		
Work with Illinois Department of Financial and Professional Regulation to ensure regulatory enforcement of "High Cost" Mortgage Act.	Financial Institutions, IDFP, Counseling Agencies	Ongoing
Utilize CDBG Disaster Recovery resources for affordable housing creation and preservation (community stabilization) in designated areas of Illinois.	DCEO, IHDA	Completed
Effectively implement the Hardest Hit Fund to provide mortgage refinancing and relief to Illinoisans at severe risk of foreclosure.	IHDA, Lenders, HHF Partners	Ongoing
Identify housing strategies, programs and resources for persons not qualifying for Hardest Hit Fund assistance, including rental assistance and homeless prevention.	Housing Task Force, Housing Counseling Agencies, PHAs, CoCs	Ongoing
<b>Assist and support community re-envisioning</b>		
Fund abandoned property relief through the Abandoned Properties Program, Blight Reduction Program, and Land Banking Program by using existing and new funding sources.	IHDA, OAG, Municipalities	Ongoing
<b>Envision a post-crisis community support network for the State.</b>		
Maintain an effective and robust Foreclosure Prevention Program.	IHDA, IDFP, Housing Counseling Agencies	Ongoing
Continue to fund and maintain a variety of counseling services, such as foreclosure prevention, homebuyer, renter and post-purchase.	IHDA, Housing Counseling Agencies	Ongoing
Recognize and fund home repair programs as a method of maintaining affordability and preventing foreclosure (CDBG, AHTF, section 504).	IHDA, DCEO, USDA	Ongoing

ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Creation and Preservation		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Create and assist community support network for the State.</b>		
Operate the funding of abandoned property relief programs: Abandoned Properties Program, Blight Reduction Program and Land Banking Program.	IHDA/OAG/	Ongoing
Continue to seek funding and maintain a variety of counseling services, focusing on primarily foreclosure prevention and homebuyer counseling.	IHDA, Housing Counseling Agencies, ILGA, NeighborWorks, HUD	Ongoing
Seek funding and operate home repair and homebuyer assistance programs as a method of maintaining affordability, preventing foreclosure and preserving single-family housing stock.	HDA, Housing Counseling Agencies, ILGA, NeighborWorks, HUD	Ongoing
<b>Explore actions to further promote accessible affordable housing</b>		
Explore options to better identify existing accessible housing units and need for the same (statewide, housing locator, waiting list, etc.).	IHDA, HTF, IDHS	Ongoing
Conduct research on actual costs of adding accessibility and universal housing design to new development and rehabilitation costs.	IHDA, IDHFS, IDOA, IDVA, IDHS	Ongoing
Investigate options/policies for promoting increased occupancy of accessible units in all assisted housing by persons with accessibility needs.	IHDA, Owners, Property Managers	Ongoing
Encourage inclusion of universal design principles in affordable housing units via the LIHTC QAP process.	IHDA, Developers, IHC	Ongoing

ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Leadership		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Coordinate affordable housing inclusion in state and federal capital and economic development initiatives</b>		
Encourage statewide expansion of Live Near Work and transit oriented development initiatives with new and existing partners.	IHDA, DCEO, TA Providers, CNT	Ongoing
Market Employer Assisted Housing programs in materials for the DCEO Opportunity Returns program, DCEO's Workforce Investment Boards and other opportunities.	IHDA, Local TA Providers	On hold
Explore opportunities for use of Community Development Assistance Program (CDAP) funds for housing development to complement economic development activities.	DCEO, IHDA	On hold
Work with IEPA to improve potential of developing brownfields properties and identifying programs that can be used for housing development.	IEPA, HUD	On hold
Design and implement legislative agenda for state and national leaders, including infrastructure initiatives.	IHDA, Housing Task Force, All State Agencies	Ongoing
<b>Increase planning coordination for transportation, economic development and housing to attract and retain businesses, maximize investment of State resources and improve quality of life for people and communities</b>		
Convene joint meetings between State agencies and local officials, major employers, planning organizations, developers and other interested parties in order to coordinate transportation and economic development plans with affordable housing plans.	Governor's Office and Legislature, IDOT, DCEO, IHDA, IDNR, ISTHA	On Hold
Work to fund and administer "Good Housing Good Schools".	ILGA, Governor's Office	On Hold
Examine possibilities for coordinating and promoting State investments in an integrated system to meet the housing needs of all members of the community.	IHDA, Municipal Officials, For-Profit and Non-Profit Developers, Foundations, and Community Organizations	On Hold
Utilize Governor's Office to provide leadership in integrating various State agencies and programs that encourage linked housing, transportation and economic development along with environmental stewardship statewide.	Governor's Office, IHDA, DCEO, IDOT, IEPA	On Hold
Research interdepartmental planning and funding mechanisms that can support coordination of affordable housing development and redevelopment near transit.	IHDA, IDOT, DCEO, Governor's Office and State Agencies	Under Review
Work to fund and administer the Building Location Efficiency Incentive Act (and EDGE Incentive).	ILGA, Governor's Office, DCEO	Under Review
Research, plan and develop a statewide economic development plan to ensure that housing is made part of that overall effort.	IHDA, DCEO	Ongoing
Determine the impact of LIHTC and other affordable housing projects on local property values.	IHDA, IHC, CSH, AALC, SHPA	On hold
Work with Governor's Office and applicable State agencies to determine feasibility of development of a Functional Depository of Information to be utilized by State agencies, regional planning organizations and local practitioners to track investments and determine funding availability.	Governor's Office, State Agencies	On Hold
Continued participation with place-based interdepartmental coordination efforts, i.e. Team Illinois, Illinois Association of Small Counties and others.	State Agencies	On hold
Utilize ongoing regional or sub-regional organizational coordination efforts as pilot programs to identify benefits, barriers and best practices to address geographic/jurisdictional concerns in linked housing, transportation and employment program delivery.	Housing Task Force, IHDA	Ongoing

ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Leadership		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Fund and support regional planning</b>		
Encourage local jurisdictions to create forward-looking housing policy plans that will allow private sector developers to construct workforce housing and affordable new homes.	IHDA, Housing Task Force	On hold
Design programming and locate funding for a thorough and well-balanced rural Technical Assistance program that will help increase competitive and fundable project proposals and applications in rural areas with proven markets.	IHDA, Local Partners	Ongoing
Identify and support communities and regions throughout Illinois trying to access federal funding.	IHDA, Housing Task Force	Ongoing
Work to fund and administer the Local Planning and Technical Assistance Act.	ILGA, Governor's Office	Under Review
Enact all or parts of a statewide resource-efficient planning policy that supports regionalism and access of federal and state dollars.	Governor's Office, IHDA, DCEO, IDOT, IEPA	On hold
<b>Develop Illinois Federal Housing Agenda to ensure preservation, reform and expansion of federal resources and legislation for affordable housing</b>		
Advocate for federal housing and services legislation and continued funding of supportive housing.	ILGA, Governor's Office, IHC, IHDA	Ongoing
Promote continued funding and administrative ease for the implementation of the recently established National Housing Trust Fund. Advocate flexibility in Operating Assistance provisions.	IHDA	Ongoing
Work towards establishing preservation-related federal and State legislation.	ILGA, Governor's Office	On Hold
Provide outreach to inform legislators on key housing issues that affect Illinois and the nation.	Governor's Office, Housing Task Force	Ongoing
Research feasibility of making recommendations for rule changes to federal funding sources that would make them more flexible and useful for rehabilitation programs such as the Home Modification Program, HOME, NHTF, AFFH.	Housing Task Force	Ongoing
Support HEARTH Act funding to permit renewals funded separately from annual competitive grants to allow 30% PSH production.	Housing Task Force	Ongoing
Track long-term impact of proposed budget and tax program changes on State's ability to continue to provide access to affordable housing.	All State Agencies	Ongoing
Determine appetite for advocating for changes to Reverse Mortgages that would make them eligible for persons with disabilities. Creation of new Hardest Hit Fund Program: Reverse Mortgage Program.	Housing Task Force	Ongoing – New Program
<b>Identify opportunities to incorporate valuable lessons and promote best practices</b>		
Explore linking Statewide/Regional Housing Planning and Budgeting.	Governor's Office, IHDA, DCEO	On Hold
Review findings and deliberations of national and local efforts and consider adoption of new efforts to serve the priority populations.	Housing Task Force	On Hold
Continue Illinois Affordable Housing Awards Program as an annual event in conjunction with Governor's Conference on Affordable Housing.	Governor's Office, IHDA	Ongoing
Highlight Illinois' Home Accessibility Program nationally as model to benefit persons with disabilities.	IHDA	Ongoing
Seek partnerships with philanthropic organizations and with banks to align funding efforts and extend/expand upon State investment.	Housing Task Force, IHDA	Under Review



ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
Housing Principle: Leadership		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Support the exploration of enhanced Economic Impact Analysis of affordable housing activity by IHDA</b>		
Advise the ongoing expansion of input-output analytic tools employed by IHDA for statewide regional analysis.	IHDA, DCEO	On hold
Continue outreach, presentations and discussions with AHPAA non-exempt and at-risk communities throughout Illinois.	IHDA, Community Partners, Governor's Office	Ongoing
Provide technical assistance to communities seeking to enact meaningful Affordable Housing Plans.	IHDA	As Needed
<b>Track legislation and serve as information clearinghouse on Federal housing allocation and expenditures</b>		
Advocate for federal housing and services legislation.	IHDA, Housing Task Force	Ongoing
Track effects of reduced federal appropriation levels, sequestration and the federal debt ceiling on housing programs.	IHDA, Housing Task Force	Ongoing
Concentrate efforts on federal housing related legislation which impacts existing and future resources, tax reform and housing finance reform.	IHDA, IHC	Ongoing
<b>Track federal tax reform, GSE reform and federal regulation</b>		
Track federal tax reform and its potential impact on Low Income Housing Tax Credits, Tax-Exempt Bond Financing, New Markets Tax Credits, the Mortgage Interest Deduction and Historic Rehabilitation Tax Credit.	IHDA, Housing Task Force	Ongoing
Advocate for affordable housing responsibilities of any new guarantor.	IHDA, Housing Task Force	Ongoing
Track funding of National Housing Trust Fund via user fees or percentage of GSE profits.	IHDA, Housing Task Force	Ongoing
Advocate for Ginnie Mae securitization of Risk Sharing Program.	IHDA, Housing Task Force	Ongoing
Track federal rule making and provide public comments to streamline processes and fully address affordable housing objectives.	HUD, Treasury, CMMS, CFPB	Ongoing
<b>Promote equal access to quality housing for the full diversity of Illinois households</b>		
Implement HUD's Affirmatively Furthering Fair Housing Rule through coordinated Assessment of Fair Housing.	IHDA, PHAs, IDHR, Municipalities	Ongoing (Due Fall 2019)
Contingent on funding, implement rural/small city development capacity building program.	IHDA, OAG, Municipalities, Other Parties	Under Review
<b>Seek and coordinate federal/state/local resources to further assist current and expanded supportive housing populations (veterans, LGBTQ, youth)</b>		
Research population needs and compile an inventory of current available resources.	Housing Task Force – Supportive Housing Working Group, ICOH	Ongoing
Identify additional programs and funding sources to assist.	Interagency Committee, ICH	Ongoing
<b>Research the coordinate assessment intake to more efficiently meet homeless needs</b>		
Review current intake assessments and assess their relationship to the coordinated assessment intake. Further develop systems where needed, such as the Uniform Assessment Tool.	IDHFS, Interagency Committee, HTF	Ongoing



ANNUAL COMPREHENSIVE HOUSING PLAN - TECHNICAL PLAN		
<b>Housing Principle: Leadership</b>		
STRATEGIES / ACTIONS	Agencies and Partners	2018 Status
<b>Expand and support availability and access to supportive living services</b>		
Evaluate Illinois Medicaid 1115 Waiver requirements and options for supportive housing services.	IDHFS/ Housing Task Force	Ongoing
Continue to promote PHA Preferencing for people with disabilities.	IHDA, IDHS	Ongoing
<b>Increase planning coordination for economic development and housing to attract and retain businesses, maximize investment of State resources and improve quality of life for people and communities</b>		
Review DCEOs statewide economic development plan, LIHTC-Qualified Action Plan, Community Revitalization Plans, ACHP and the HUD State Consolidated Plan to explore how economic development can become incorporated in the overall efforts to further affordable housing.	DCEO, IHDA, Housing Task Force	Ongoing
Review the impact of LIHTC and other affordable housing funding on assisted projects to determine the impact on local property values.	IHDA, IHC, CSH, AALC, SHPA, Third Party	Underway
Continue development and management of state/regional/local economic impact tools.	IHDA	On hold
Major new emphasis on review of LIHTC Community Revitalization Plans to evaluate economic development elements.	IHDA	Ongoing
<b>Implement the Affordable Housing Planning and Appeal Act</b>		
Continue outreach, presentations and technical assistance with Affordable Housing Planning and Appeal Act non-exempt and at-risk communities throughout Illinois.	IHDA, Community Partners (BPI, CMAP, MPC, MMC)	Ongoing
Provide extensive technical assistance to communities seeking to enact meaningful Affordable Housing Plans.	IHDA, Community Partners (BPI, CMAP, MPC, MMC)	Ongoing
<b>Research/Investigate solutions to address/reduce the rising cost of affordable housing</b>		
Provide technical assistance via an ongoing community revitalization network/program to communities requesting robust local-level planning.	IHDA	Ongoing
Review existing research and conduct new analysis focused on affordable housing development cost containment strategies.	IHDA, Housing Task Force, IHC	Ongoing
Analyze cost savings option under the State's control and potential impact on public policies and quality of development.	IHDA, Housing Task Force, IHC	Ongoing

## Appendices

### Appendix A: Glossary of Terms, Acronyms, and Agencies

State Agencies and Departments	
<b>CDB</b>	Illinois Capital Development Board
<b>CFPB</b>	Consumer Financial Protection Bureau
<b>CMS</b>	Illinois Department of Central Management Services
<b>CMMS</b>	Center for Medicare and Medicaid Services
<b>DCEO</b>	Illinois Department of Commerce and Economic Opportunity
<b>DCFS</b>	Illinois Department of Children and Family Services
<b>IDJJ</b>	Illinois Department of Juvenile Justice
<b>DMH</b>	IDHS Division of Mental Health
<b>GOMB</b>	Governor's Office of Management and Budget
<b>HTF</b>	Illinois Housing Task Force
<b>IDFPR</b>	Illinois Department of Financial and Professional Regulation
<b>IDHFS</b>	Illinois Department of Healthcare and Family Services
<b>IDHR</b>	Illinois Department of Human Rights
<b>IDHS</b>	Illinois Department of Human Services
<b>IDNR</b>	Illinois Department of Natural Resources
<b>IDoA</b>	Illinois Department on Aging
<b>IDOC</b>	Illinois Department of Corrections
<b>IDOR</b>	Illinois Department of Revenue
<b>IDOT</b>	Illinois Department of Transportation
<b>IDPH</b>	Illinois Department of Public Health
<b>IDVA</b>	Illinois Department of Veterans Affairs
<b>IEPA</b>	Illinois Environmental Protection Agency
<b>IHDA</b>	Illinois Housing Development Authority
<b>ISTHA</b>	Illinois State Toll Highway Authority
<b>SHWG</b>	Supportive Housing Working Group

<b>Federal/State/Local/and Other Partners</b>	
<b>AAAs</b>	Area Agency on Aging – Local organizations that provide services and programs for seniors.
<b>CAAs</b>	Community Action Agencies.
<b>CHDOs</b>	Community Housing Development Organizations - a designated non-profit with the federal HOME program.
<b>CIC</b>	Community Investment Corporation.
<b>CIL</b>	Centers for Independent Living - Local organizations that provide services and programs for people with disabilities to help them live more independently.
<b>COC</b>	Continuum of Care.
<b>CRN</b>	Chicago Rehabilitation Network – A non-profit technical assistance provider and advocacy agency.
<b>CSH</b>	Corporation for Supportive Housing – A non-profit technical assistance provider for homeless and special needs housing and services.
<b>FHA</b>	Federal Housing Administration.
<b>FHLBC</b>	Federal Home Loan Bank of Chicago
<b>GNHSTF</b>	Governor’s Nursing Home Safety Task Force.
<b>GRAC</b>	Governor’s Rural Affairs Council.
<b>GSE</b>	Government Sponsored Enterprise (Most commonly referring to FHLB, Fannie Mae, Ginne Mae, & Freddie Mac).
<b>HUD</b>	U.S. Department of Housing and Urban Development.
<b>IIRA</b>	Illinois Institute for Rural Affairs.
<b>IMHPAC</b>	Illinois Mental Health Planning and Advisory Council.
<b>LAAs</b>	Local Administering Agencies under the Rental Housing Support Program
<b>LSHAC</b>	Lead Safe Housing Advisory Council.
<b>LSHSTF</b>	Lead Safe Housing State Task Force.
<b>NCSHA</b>	National Council of State Housing Agencies.
<b>NGA</b>	National Governors Association.
<b>OAG</b>	Illinois Office of the Attorney General.
<b>OASAC</b>	Older Adults Services Advisory Committee.
<b>OHCS</b>	Office of Housing Coordination Services.
<b>OMB</b>	U.S. Office of Management and Budget
<b>PHA</b>	Public Housing Authority.
<b>Re-Entry Working Group</b>	Governor’s Statewide Community Safety & Reentry Commission.
<b>TA Providers</b>	Technical Assistance Providers.
<b>USDA-RD</b>	U.S. Department of Agriculture-Rural Development Office.
<b>SPAR</b>	Office of Strategic Planning and Reporting

## **Funding Programs and Projects**

### **Build Illinois / Capital Fund**

Created in 2009 by the Illinois General Assembly, the Illinois Affordable Housing Capital Fund is a \$100,000,000, is appropriation for affordable housing grants, loans, and investments for low-income families and persons. An additional \$30,000,000 is appropriated specifically to assist at risk displaced veterans and low income persons with disabilities

### **CCRS**

Community Care in Residential Settings (IDoA)

### **CDAP**

Community Development Assistance Program, grants for home repair (State CDBG).

### **CDBG**

Community Development Block Grant, the HUD-funded federal block grant program.

### **CDBG Disaster Recovery Program**

Federally authorized disaster recovery programs (1771 ("Midwest") and 1800 ("Ike")) are available in designated counties within Illinois. These recovery programs require an affordable housing creation and preservation component. Over \$64 million available for housing programs from CDBG Disaster Recovery programs is anticipated to be available in eligible areas. Administered by DCEO and IHDA.

### **HERA**

Housing and Economic Recovery Act of 2008 – A federal law designed to address the sub-prime mortgage crisis, passed by the United States Congress on July 24, 2008. Authorizes, among other programs, the Neighborhood Stabilization Program.

### **HHF**

Hardest Hit Fund – provides targeted emergency mortgage assistance to families experiencing unemployment or underemployment in states hit hard by the economic and housing market downturn. Illinois had been awarded over \$440 million in HHF funding (through TARP) in 2010. In 2011 IHDA began to utilize the HHF funds to assist Illinois homeowners struggling to pay their mortgages due to job loss or income reduction. IHDA's HHF-HELP Program closed September 2013, and reopened in August 2016 after the Authority secured an additional award of \$269 million in federal HHF funding.

### **HOPWA**

Housing Opportunities for Persons with AIDS - Federal funding to provide short term rent and mortgage utility assistance and other supportive services to people living with HIV/AIDS. Administered at the State level by IDPH.

## **Funding Programs and Projects Continued.**

### **GRF**

(State) General Revenue Funds, coming from general collected State tax revenues, not dedicated funds.

### **IHWAP**

Illinois Home Weatherization Assistance Program – administered by DCEO, includes monies from the U.S. Department of Energy, a HHS-LIHEAP Grant, State Supplemental Energy Assistance Fund, Energy Conservation and Home Repair Program), and ARRA-authorized Weatherization Assistance Program funds.

### **LIHEAP**

Low Income Home Energy Assistance Program

### **LIHTC**

Low Income Housing Tax Credit - Provides federal income tax credits to investors in low-income multi-family rental housing.

### **MCC**

Mortgage Credit Certificates - A tax credit for first-time homebuyers by creating an income tax deduction that reduces a household's federal income tax liability, which allows the household to have more available income to make mortgage payments.

### **MRB**

Mortgage Revenue Bonds – Tax-Exempt bond financing for first-time homebuyers or rental housing, both income qualified.

### **MRF**

Mortgage Resolution Fund - In 2011, IHDA agreed to fund a direct loan modification program called the Mortgage Resolution Fund (MRF) with up to \$100 million of the State's Hardest Hit Funds. Through the MRF, HHF monies will be used to purchase delinquent home loans directly from lenders and capital market traders at net present value. Each qualifying mortgage debt will be brought into alignment with current home values.

### **National Housing Trust Fund (NHTF)**

Authorized by the HERA, this State-administered resource will be used to provide funds to build, preserve, and rehabilitate affordable rental housing for extremely and very low-income households. Of the total funding, 75% of funds are to benefit persons or households at 30% AMI or below and must go to rental housing. A maximum of 10% of funds can be used for single-family homeownership/home repair programs.

### **NSP**

Neighborhood Stabilization Program – HERA authorized HUD funding to address the mitigation of vacant and foreclosed properties in communities. Three rounds funded by HUD.

### **RHSP**

Rental Housing Support Program – State-funded rental assistance program to assist extremely and severely low-income households. Funded through a fee on mortgage recording documents at the county level, the RHSP includes the Long Term Operating Support (LTOS) rental subsidy program.

## Other Relevant Terms

### **AHPAA**

Affordable Housing Planning and Appeal Act - State law which calls for communities with less than 10% total affordable housing stock to adopt and implement local affordable housing plans.

### **Care Coordination Plan**

Illinois Medicaid's 2-year plan for meeting the State law requirement to move at least 50% of its Medicaid clients into care coordination by January 1, 2015. Under this plan, the goal is to have 2 million out of 3 million clients (or 66%) under the care of a certified Managed Care Entity.

### **Choice Neighborhoods Initiative**

A HUD initiative, which replaced HOPE VI, that provides competitive grants to PHAs and non-profits for the "transformation, rehabilitation, and replacement needs of both public and HUD-assisted housing," in addition to other activities designed to strengthen and transform surrounding neighborhoods.

### **Colbert v. Rauner Case**

Lawsuit filed on behalf of persons with disabilities who are unnecessarily confined to skilled nursing facilities (SNF) nursing homes. The consent decree implementation plan was agreed upon in November 2012. Cost to State must be budget neutral.

### **Continuum of Care (CoC)**

A local or regional group of homeless services and housing providers required under HEARTH Act funding to ensure local/regional priority needs are being annually addressed. Illinois has statewide coverage.

### **Comprehensive Housing Planning Act**

Illinois Public Act 94-965 provides that the State of Illinois shall prepare and be guided by an annual comprehensive housing plan that specifically addresses certain underserved populations. Creates Housing Task Force.

### **EAH**

Employer Assisted Housing - Public/Private assistance provided to prospective homebuyers through their employer and a public agency. Promotes live-near-work goals via Executive Order 2003-18 Governor's comprehensive housing initiative issued on 9/16/2003 to establish a statewide Housing Task Force to develop a comprehensive State housing plan, encourage joint state agency funding, and establish six Priority Populations (underserved).

### **CRP**

A Community Revitalization Program is a locally approved intentional effort that is likely to lead to measurable increases in access to employment, living wage jobs, healthcare, supportive services, community amenities, transportation, quality and affordable housing stock. The most effective CRPs involve community stakeholders, including residents, employers, and elected officials, in planning and implementing community revitalization efforts for the benefit of the entire community.

## **Other Relevant Terms, Continued.**

### **HEARTH Act**

The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act –A federal Act passed in 2009 that extends resources to communities to be used for prevention and re-housing homeless persons or persons facing homelessness. The HEARTH Act changes the current Emergency Shelter Grant Program to the Emergency Solutions Grant (ESG) Program, and almost doubles the amount for ESG to 20 percent of the total for homeless assistance. The HEARTH Act consolidates the federal Supportive Housing Program, Shelter Plus Care, and the Section 8 Moderate Rehabilitation/Single Room Occupancy Program into a single Continuum of Care program. Communities will now apply to one program rather than three, reducing the administrative burden and increasing flexibility and local decision-making. In addition, a rural homelessness program is to be created.

### **HUD Lead Safe Housing and EPA Remodeling and Repair Rules**

These rules require lead-based paint hazard reduction and lead safe work practices in all single-family and multi-family residential property and housing built before 1978, the year lead-based paint was banned nationally for residential use, regardless of whether such property and housing receives Federal Assistance or not. HUD and EPA regulations set lead-hazard elimination requirements that emphasize eliminating lead in house dust. HUD regulation specifically requires dust-sample testing after paint is disturbed to make sure the home is lead-safe. These Regulations affect residential or rental property owners and managers, general contractors, and specialty trade contractors such as painters, plumbers, carpenters and electricians.

### **ILHousingsearch.org**

An inter-agency, statewide housing locator system launched in 2009 to allow all residents to search and list rental properties at no cost. ILHousingSearch.org is an interactive web portal designed to allow users to search the most current listings by a wide range of criteria including: rent range, accessibility features, location, bedrooms, screening criteria, acceptance of vouchers, school district, allowance of pets, deposits and fees, and proximity to transit. The housing locator is supported by a call center with a toll-free number to assist users, and support property owners or managers with registration and property listing in order to maintain the most current listings possible. Funded by IHDA, IDHS, IDHFS, and IDoA.

### **Ligas Consent Decree**

In the Ligas V. Rauner Consent Decree, plaintiffs held that they were segregated and institutionalized in private State-funded Intermediate Care Facilities for People with Developmental Disabilities (ICFDDs) which provide on-site long-term care services for individuals with developmental disabilities. The case was settled on June 15, 2011. A full copy of this consent decree and the implementation plan is available on the IDHS website ([www.dhs.state.il.us](http://www.dhs.state.il.us)).



## **Other Relevant Terms Continued.**

### **Money Follows the Person**

A federal rebalancing demonstration program administered by IDHFS enacted by the Deficit Reduction Act (DRA) of 2005. Part of a comprehensive strategy to assist states in collaboration with stakeholders, to make widespread changes to their long-term care support systems by allowing people who need long-term care to live in their own homes and communities or in a setting of their choice.

### **NOFA Notice of Funding Availability**

An announcement of the availability of targeted funding, frequently used by State and federal agencies.

### **Norman Decree**

Judicial decree requiring adequate funding to support wards of the State. Implemented by DCFS.

### **RFP**

Request for Proposals for targeted funding or to procure certain types of assistance.

### **Section 1115 Waiver**

Section 1115 of the Social Security Act gives the Secretary of Health and Human Services authority to waive provisions of major health and welfare programs authorized under the Act, including certain Medicaid requirements, and to allow a state to use federal Medicaid funds in ways that are not otherwise allowed under federal rules. The authority is provided at the Secretary's discretion for demonstration projects that the Secretary determines promote Medicaid program objectives. There are comprehensive Section 1115 Medicaid waivers that allow broad changes in eligibility, benefits, cost sharing, and provider payments. There also are more narrowly drawn Section 1115 waivers as well as Section 1915 Medicaid waivers that focus on specific services and populations. (<http://kff.org/health-reform/>).

### **Supportive Housing Working Group**

A working group created by the Housing Task Force in 2007 to evaluate and present common understanding of barriers and best practices for increased and improved development of supportive housing.

### **State Referral Network**

Tied primarily to IHDA's Low Income Housing Tax Credit (LIHTC) Program, IHDA developed the Statewide Referral Network (SRN) in 2008, as an overlay on the housing locator system. The SRN is a program that links vulnerable populations to affordable housing across Illinois. Eligible populations include persons with disabilities, persons experiencing homelessness, and persons at risk of homelessness.

### **TIF**

Tax Increment Financing - Municipalities in Illinois have the authority to undertake public and private redevelopment projects in blighted areas via Tax Increment Financing (TIF) districts. There are several TIF mechanisms that may apply to affordable housing: local issuance of bonds to fund public improvements; reimbursement of development expenses; and use of tax increment revenues to pay for up to 50 percent of the direct cost of construction of new housing units to be occupied by low- and very low-income households.

### **RFA**

Request for Application – similar to the previously referred to NOFA process.

## **Other Relevant Terms Continued.**

### **Williams Consent Decree**

The Williams v. Rauner lawsuit was filed in 2005 by two people with mental illness residing in large private State-funded facilities called Institutions for Mental Diseases (“IMDs”). The plaintiffs alleged that they were needlessly segregated in IMDs and that the State of Illinois had violated the ADA and denied them the opportunity to live in integrated settings where they could lead more independent and more productive lives in their own communities. The parties reached an agreement called a Consent Decree. On September 30, 2010 the Judge gave final approval of the Consent Decree which requires the State to implement a service plan and meet a variety of annual benchmarks towards providing Community-Based living arrangements for persons with mental illness.

## **Appendix B: Housing Task Force Members**

### **Task Force Members / Housing Task Force Chair:**

Audra Hamernik  
Executive Director  
Illinois Housing Development Authority

### **Task Force Members / State Agency Members:**

Illinois Emergency Management Agency  
Illinois Finance Authority  
Illinois Department on Aging  
Illinois Department of Children and Family Services  
Illinois Department of Commerce and Economic Opportunity  
Illinois Department of Corrections  
Illinois Department of Financial and Professional Regulation  
Illinois Department of Healthcare and Family Services  
Illinois Department of Human Rights  
Illinois Department of Human Services  
Illinois Department of Natural Resources  
Illinois Department of Public Health  
Illinois Department of Transportation  
Illinois Department of Veterans' Affairs  
Illinois Environmental Protection Agency  
Illinois Department of Juvenile Justice  
Illinois Governor's Office  
Illinois Governor's Office of Management and Budget  
Illinois Housing Development Authority  
Illinois Lieutenant Governor

Task Force Members/Housing Expert Members	
Honorable Pamela Althoff Illinois State Senator, 32nd District (Designated by Illinois Senate Minority Leader)	Senator Iris Martinez State Senator, 20th District (Designated by Illinois Senate President)
Betsy Benito Director, Illinois Program Corporation for Supportive Housing	Allison Clements Executive Director Illinois Housing Council
Diane Baker Architect Representative Worn Jerabek Wiltse Architects, P.C.	Lindsey Keyes Housing Programs Director U.S. Dept. of Agriculture
George Dinges President/Vice President Development Services Group	Joseph P. Galvan Midwest Regional Director U.S. Dept. of Housing and Urban Development (HUD)
David Neary Executive Director Dupage Habitat for Humanity	Mike Niehaus Executive Director Windsor Homes
Nancy Firfer Board of Governor's Chair Metropolitan Planning Council	Eloy Salazar Executive Director Illinois Migrant Council
Peter Holsten President Holsten Developments	Dr. Cynthia Struthers Illinois Institute for Rural Affairs Western Illinois University
Brian Hollenback Executive Director Rock Island Economic Growth Corporation	Jennifer Hill Executive Director Alliance to End Homelessness in Suburban Cook County
Mary Keating Director of Community Services Dupage County	Kevin Wiehardt Community Services Director Western Illinois Regional Council –CAA
Robin Snyderman Principal Brick, LCC	David Hirsch Director Love Funding
Rep. Marcus Evans State Representative 13 <sup>th</sup> District	Michael Goetz Director Laborer's Home

## Appendix C: (310 ILCS 110/) Comprehensive Housing Planning Act

(310 ILCS 110/) Comprehensive Housing Planning Act.  
(310 ILCS 110/1)

Sec. 1. Short title. This Act may be cited as the Comprehensive Housing Planning Act.

(Source: P.A. 94-965, eff. 6-30-06.)

(310 ILCS 110/5)

Sec. 5. Definitions. In this Act:

"Authority" means the Illinois Housing Development Authority.

"Interagency Committee" means the Interagency Committee of the State Housing Task Force, which shall consist of the following members or their senior staff designees: the Executive Director of the Authority; the Secretaries of Human Services and Transportation; the Directors of the State Departments of Aging, Children and Family Services, Corrections, Commerce and Economic Opportunity, Emergency Management, Financial and Professional Regulation, Healthcare and Family Services, Human Rights, Juvenile Justice, Natural Resources, Public Health, and Veterans' Affairs; the Director of the Environmental Protection Agency; a representative of the Governor's Office; and a representative of the Governor's Office of Management and Budget.

"State Housing Task Force" or "Task Force" means a task force comprised of the following persons or their designees: the Executive Director of the Authority; a representative of the Governor's Office; a representative of the Lieutenant Governor's Office; and the Interagency Committee. The Governor may also invite and appoint the following to the Task Force: representatives of the U. S. Departments of Housing and Urban Development (HUD) and Agriculture Rural Development; and up to 18 housing experts, with proportional representation from urban, suburban, and rural areas throughout the State. The Speaker of the Illinois House of Representatives, the President of the Illinois Senate, the Minority Leader of the Illinois House of Representatives, and the Minority Leader of the Illinois Senate may each appoint one representative to the Task Force. The Executive Director of the Authority shall serve as Chair of the Task Force. The Governor shall appoint a housing expert from the non-governmental sector to serve as Vice-Chair.

(Source: P.A. 99-564, eff. 7-15-16.)

(310 ILCS 110/10)

Sec. 10. Purpose. In order to maintain the economic health of its communities, the State must have a comprehensive and unified policy for the allocation of resources for affordable housing and supportive services for historically underserved populations throughout the State. Executive Order 2003-18 shall be codified into this Act. The purposes of this Act are to accomplish the following:

(1) address the need to make available quality housing at a variety of price points in communities throughout the State;

(2) overcome the shortage of affordable housing, which threatens the viability of many communities and has significant social costs, such as homelessness, concentration of poverty, and unnecessary institutionalization;

(3) meet the need for safe, sanitary, and accessible affordable and community-based housing and supportive services for elderly persons and people with disabilities and other populations with special needs;

(4) promote a full range of quality housing choices near job opportunities, transit options, and related amenities;

(5) meet the needs of constituencies that have been historically underserved and segregated due to barriers and trends in the existing housing market or insufficient resources;

(6) facilitate the preservation of ownership of existing homes and rental housing in communities;

(7) create new housing opportunities and, where appropriate, promote mixed-income communities;

(7.5) maximize federal funding opportunities for affordable housing or the services people need to maintain their housing with required State funding, such as, without limitation, for federal Continuum of Care networks and HOME Investment Partnerships Program project sponsors; and

(8) encourage development of State incentives for communities to create a mix of housing to meet the needs of current and future residents.

(Source: P.A. 99-564, eff. 7-15-16.)

(310 ILCS 110/15)

#### Sec. 15. Annual Comprehensive Housing Plan.

(a) During the period from the effective date of this Act through December 31, 2026, the State of Illinois shall prepare and be guided by an annual comprehensive housing plan ("Annual Comprehensive Housing Plan") that is consistent with the affirmative fair housing provisions of the Illinois Human Rights Act and specifically addresses the following underserved populations:

(1) households earning below 50% of the area median income, with particular emphasis on households earning below 30% of the area median income;

(2) low-income senior citizens;

(3) low-income persons with any form of disability, including, but not limited to, physical disability, developmental disability, intellectual disability, mental illness, co-occurring mental illness and substance abuse disorder, and HIV/AIDS;

(4) homeless persons and persons determined to be at risk of homelessness;

(5) low-income and moderate-income persons unable to afford housing that has access to work opportunities or transportation options;

(6) low-income persons residing in communities with existing affordable housing that is in danger of becoming unaffordable or being lost;

(7) low-income people residing in communities with ongoing community revitalization efforts; and

(8) other special needs populations, including people with criminal records and veterans experiencing or at risk of homelessness.

(b) The Annual Comprehensive Housing Plan shall include, but need not be limited to, the following:

(1) The identification of all funding sources for which the State has administrative control that are available for housing construction, rehabilitation, preservation, operating or rental subsidies, and supportive services.

(2) Goals for the number, affordability for different income levels, and types of housing units to be constructed, preserved, or rehabilitated each year for the underserved populations identified in subsection (a) of Section 15, based on available housing resources.

(3) Funding recommendations for types of programs for housing construction, preservation, rehabilitation, and supportive services, where necessary, related to the underserved populations identified in subsection (a) of Section 15, based on the Annual Comprehensive Housing Plan.

(4) Specific actions needed to ensure the coordination of State government resources that can be used to build or preserve affordable housing, provide services to accompany the creation of affordable housing, and prevent homelessness.

(5) Recommended State actions that promote the construction, preservation, and rehabilitation of affordable housing by private-sector, not-for-profit, and government entities and address those practices that impede such promotion.

(6) Specific suggestions for incentives for counties and municipalities to develop and implement local comprehensive housing plans that would encourage a mix of housing to meet the needs of current and future residents.

(7) Identification of options that counties, municipalities, and other local jurisdictions, including public housing authorities, can take to construct, rehabilitate, or preserve housing in their own communities for the underserved populations identified in Section 10 of this Act.

(c) The Interagency Committee, with staff support and coordination assistance from the Authority, shall develop the Annual Comprehensive Housing Plan. The State Housing Task Force shall provide advice and guidance to the Interagency Committee in developing the Plan. The Interagency Committee shall deliver the Annual Comprehensive Housing Plan to the Governor and the General Assembly by January 15 of each year or the first business day thereafter. The Authority, on behalf of the Interagency Committee, shall prepare an Annual Progress Report by April 1 of the following year to the Governor and the General Assembly on the progress made toward achieving the projected goals, as defined in paragraph (2) of subsection (b), of the Annual Comprehensive Housing Plan during the previous calendar year. These reports shall include estimates of revenues, expenditures, obligations, bond allocations, and fund balances for all programs or funds addressed in the Annual Comprehensive Housing Plan.

(d) The Authority shall provide staffing to the Interagency Committee and the Task Force. It shall also provide the staff support needed to help coordinate the implementation of the Annual Comprehensive Housing Plan during the course of the year. The Authority shall be eligible for reimbursement of up to \$300,000 per year for such staff support costs from a designated funding source, if available, or from the Illinois Affordable Housing Trust Fund.

(Source: P.A. 99-564, eff. 7-15-16.)

(310 ILCS 110/20)

Sec. 20. State Housing Task Force. The State Housing Task Force shall:

(1) (Blank).

(2) Create necessary subcommittees and appoint subcommittee members and outside experts, with the advice of the Task Force and the Interagency Committee.

(3) Ensure adequate public input into the Annual Comprehensive Housing Plan.

(4) Involve, to the extent possible, appropriate representatives of the federal government, local governments and municipalities, public housing authorities, local continuum-of-care, for-profit, and not-for-profit developers, supportive housing providers, business, labor, lenders, advocates for the underserved populations named in this Act, and fair housing agencies.

(5) Have input into the development of the Annual Comprehensive Housing Plan and the Annual Progress Report prepared by the Authority.

(Source: P.A. 99-564, eff. 7-15-16.)

(310 ILCS 110/25)

Sec. 25. Interagency Committee. The Interagency Committee and its member agencies shall:



(1) Provide interagency coordination and funding efforts to facilitate meeting the purposes of this Act, including the housing needs of priority populations;

(2) Be responsible for providing the information needed to develop the Annual Comprehensive Housing Plan as well as the Annual Progress Report.

(3) Develop the Annual Comprehensive Housing Plan.

(4) Oversee the implementation of the Plan by coordinating, streamlining, and prioritizing the allocation of available production, rehabilitation, preservation, financial, and service resources.

(Source: P.A. 99-564, eff. 7-15-16.)

(310 ILCS 110/30)

Sec. 30. (Repealed).

(Source: P.A. 94-965, eff. 6-30-06. Repealed by P.A. 99-564, eff. 7-15-16.)

(310 ILCS 110/90)

Sec. 90. (Amendatory provisions; text omitted).

(Source: P.A. 94-965, eff. 6-30-06; text omitted.)

(310 ILCS 110/99)

Sec. 99. Effective date. This Act takes effect upon becoming law.

(Source: P.A. 94-965, eff. 6-30-06.)