

Support SB 1476, Amendment 1: Rep. Rashid

Strengthen the Affordable Housing Planning and Appeal Act

AHPAA Can Do More to Help the Affordable Housing, Segregation and Population Growth Challenges in the Chicago Area and around the State

Passed the Senate 43-12-0

State law since 2004, the Affordable Housing Planning and Appeal Act (AHPAA) ([310 ILCS 67](#)) requires municipalities with a lack of affordable housing options—homes for sale or rent—to develop and implement plans for increasing the local stock of affordable housing.

AHPAA has resulted in a small number of communities taking meaningful actions, but there is so much more that AHPAA could do address our chronic challenges:

- In the Chicago area, there is a shortage of over [200,000 affordable rental homes](#) for low income families (e.g., \$52,100 or below annual income for a family of four in 2022).
- In many communities, the shortage of affordable homeownership opportunities for moderate income families (e.g., \$83,350 or below annual income for a family of four in 2022) contributes to the racial wealth gap. Among the nation's largest metro areas, [Chicago and the suburbs have the biggest gap between white and Black households' rate of homeownership](#).
- The spatial mismatch between jobs and housing for workers disproportionately impacts Black and Latino families, contributes to long [commute times](#) and traffic [congestion](#), negatively affecting our entire economy.

The unequal distribution of affordable housing in the Chicago area is a significant contributor to racial and economic segregation, as well as our sluggish population growth.

A [June 2022 report](#) funded by the MacArthur Foundation analyzing population trends found:

- The Chicago region's population loss during the last twenty years is primarily driven by an exodus of working class households, who are leaving Illinois.
- Population loss is most pronounced among working class Black and Latino residents.

AHPAA could be a more useful tool to help solve chronic problems in the Chicago area and in our state, but the problems with the law have to be fixed first, including:

- Most every municipality in Illinois is exempt because the acceptable level of affordable housing in a community is incredibly low.
- The planning requirements for the few municipalities that are “non-exempt” are very minimal.
- Over the course of almost 20 years, the State Housing Appeal Board created by AHPAA has never had an appeal brought before it based on a case of a community rejecting affordable housing, although this is a common occurrence.

Read more about the top four ways to strengthen AHPAA on the reverse side of this fact sheet.



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Top Four Ways to Strengthen AHPAA

Issue 1: *The very broad definition of affordable housing and a low threshold to have “enough affordable housing” currently exempts all but 46 of Illinois’ 1,298 municipal governments from AHPAA, though we know residents and workers in most every community suffer from high housing cost burdens.*

Solution: Increase the threshold for being an exempt community from having at least 10% affordable housing to at least 15% affordable housing, while also exempting all communities with a population less than 2,500 (rather than the current 1,000). Using this standard, based on IHDA’s 2018 analysis, there would still only be 55 non-exempt communities of the 1,298 evaluated. Many additional communities need more affordable housing, but this is a modest, yet important, improvement.

Issue 2: *The vast majority of plans submitted by local governments only meet the very minimal requirements in state law, and many do not even do that.*

Solution: Strengthen requirements for affordable housing plans, both content and timelines. Require a municipality to submit a new plan every time IHDA determines the community is non-exempt, e.g., every five years. Also, require plans to be posted on IHDA’s website.

Issue 3: *Currently, municipalities that fail to meet the goals of their affordable housing plan, or that are otherwise out of compliance with the law, may have any decision to deny an affordable housing project reviewed and overturned by a State Housing Appeals Board. However, since the law’s inception, there has never been an appeal filed with the board.*

Solution: Amend standards for filing an appeal to the State Housing Appeals Board so that a community resident, not just the developer, may submit an appeal.

Issue 4: *For the last one-and-half years, the State Housing Appeals Board has only had one member, no chairperson for two-and-half years, and hasn’t met since 2018.*

Solution: Update composition of State Housing Appeals Board to reduce obstacles to identifying a chair, currently required to be retired circuit court or appellate judge, by expanding eligibility to the chair and reducing the size of the board from 7 members to 5 members.

Additional change: The bill also clarifies the sources of data used to calculate how much affordable housing each municipality has. Parking and other fees beyond the rent would only be included in the affordable housing calculation if that data is available from the U.S. Census Bureau.