

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

TITLE 47: HOUSING AND COMMUNITY DEVELOPMENT
CHAPTER II: ILLINOIS HOUSING DEVELOPMENT AUTHORITY

PART 381

ABANDONED RESIDENTIAL PROPERTY MUNICIPALITY RELIEF PROGRAM

SUBPART A: GENERAL RULES

Section:

- 381.101 Authority
- 381.102 Purpose and Objectives
- 381.103 Definitions
- 381.104 Compliance with Federal and State Law
- 381.105 Forms and Procedures for the Program
- 381.106 Fees and Charges
- 381.107 Authority Administrative Expenses
- 381.108 Amendment
- 381.109 Severability
- 381.110 Gender and Number
- 381.111 Non-Discrimination
- 381.112 Titles and Captions

SUBPART B: GRANTS TO MUNICIPALITIES AND COUNTIES

Section:

- 381.201 Grants to Municipalities and Counties
- 381.202 Abandoned Residential Property
- 381.203 Eligible Uses of Grant Funds
- 381.204 Application Cycle
- 381.205 Application Requirements
- 381.206 Review of Applications
- 381.207 Grant Administration
- 381.208 Funding of Grants
- 381.209 Reporting Requirements

AUTHORITY: Authorized by Section 7.19 of the Illinois Housing Development Act [20 ILCS 3805/7.19] and Section 7.31(a) of the Illinois Housing Development Act [20 ILCS 3805/7.31(a)].

SOURCE: Adopted at 37 Ill. Reg. 11327, effective July 3, 2013.

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

SUBPART A: GENERAL RULES

Section 381.101 Authority

The Illinois Housing Development Authority is the designated administrator for the Abandoned Residential Property Municipality Relief Program in Illinois, which was established by Section 7.31 of the Illinois Housing Development Act [20 ILCS 3805/7.31].

Section 381.102 Purpose and Objectives

The purpose of the Program is to use moneys appropriated from the Abandoned Residential Property Municipality Relief Fund, and any other funds appropriated for this purpose, to make grants to municipalities and counties to assist with costs incurred by the municipality or county for the securing and maintenance of Abandoned Residential Property as defined in Section 381.202. Under the Program, the Authority will make grants to the municipalities and counties for Eligible Uses as set forth in Section 381.203.

Section 381.103 Definitions

The following definitions apply to terms used in this Part:

"Abandoned Residential Property": Shall have the meaning set forth in Section 381.202

"Act": The Illinois Housing Development Act [20 ILCS 3805].

"Applicant": A municipality or county making an Application for a Grant.

"Application": An application to the Authority on the Authority's form for a Grant completed by a prospective Applicant.

"Appropriation": The annual appropriation of funds, from the Abandoned Residential Property Municipality Relief Fund to the Illinois Department of Revenue for the Authority, by the Illinois General Assembly for the Program and any other funds appropriated for this purpose.

"Attorney General": The Attorney General of the State of Illinois.

"Auditor General": The Auditor General of the State of Illinois.

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

"Authority": The Illinois Housing Development Authority.

"City": The City of Chicago.

"Collar Counties": The counties of DuPage, Kane, Lake, McHenry and Will in Illinois.

"Commitment": A contract executed by the Authority and the Applicant under which the Authority agrees to make a Grant to the Applicant. Each Commitment shall contain a provision to the effect that the Authority shall not be obligated to provide funds under the Commitment if the Authority has not received sufficient funds from an Appropriation.

"Eligible Uses": Shall have the meaning set forth in Section 381.203.

"Fund": The Abandoned Residential Property Municipality Relief Fund created in the State treasury for the collection of certain fees as set forth in Section 15-1504.1 of the Illinois Code of Civil Procedure [735 ILCS 5/15-1504.1] paid by a plaintiff at the time of a filing of a foreclosure complaint in connection with residential real estate.

"Grant": The portion of the Appropriation granted by the Authority to an Applicant for Eligible Uses under the Program.

"Pests": Undesirable arthropods (including certain insects, spiders, mites, ticks and related organisms), wood infesting organisms, rats, mice and other obnoxious undesirable animals, but does not include a feral cat, a "companion animal" as that term is defined in the Humane Care for Animals Act [510 ILCS 70], "animals" as that term is defined in the Illinois Diseased Animals Act [510 ILCS 50], or animals protected by the Wildlife Code [520 ILCS 5].

"Program": The Abandoned Residential Property Municipality Relief Program authorized by Section 7.31 of the Act.

"Rehabilitation": The rehabilitation of an Abandoned Residential Property that is strictly limited in scope to address exterior building safety concerns such as repairing of the roof, windows, doors, masonry or walkway of an Abandoned Residential Property.

"State": The State of Illinois.

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

Section 381.104 Compliance with Federal and State Law

Notwithstanding anything in this Part to the contrary, this Part shall be construed in conformity and compliance with applicable federal and State law.

Section 381.105 Forms and Procedures for the Program

The Authority may prepare, use, prescribe, supplement and amend forms, agreements and other documents and procedures as may be necessary to implement the Program.

Section 381.106 Fees and Charges

The Authority may not charge an application fee for the Program.

Section 381.107 Authority Administrative Expenses

Subject to approval of the Department of Revenue, the Authority shall be entitled to deduct from each Appropriation, prior to making any Grants, an amount not to exceed 4% of each Appropriation for expenses associated with the administration of the Program, including, without limitation, expenses for staff salaries and benefits for time spent on design and administration of the Program; expenses incurred in performing outreach activities and providing technical assistance to the Applicants; the use of the Authority's equipment for Program purposes; the cost of office space and utilities incurred in connection with the Program; and any other expenses incurred in the administration of the Program. The Authority shall maintain a detailed accounting of its administrative expenses, using the generally accepted accounting principles (GAAP) of the Financial Standards Board of the American Institute of Certified Public Accountants as contained in the publication entitled AICPA Professional Standards, 1211 Avenue of the Americas, New York NY 10036-8775 (June 2012, no later editions are incorporated). These records shall be available to the public for review.

Section 381.108 Amendment

This Part may be supplemented amended or repealed by the Authority from time to time and in a manner consistent with the Illinois Administrative Procedure Act [5 ILCS 100], this Part, the Act, and other applicable laws. This Part shall not constitute or create any contractual rights.

Section 381.109 Severability

If any clause, sentence, paragraph, subsection, Section or Subpart of this Part is adjudged by any court of competent jurisdiction to be invalid, that judgment shall not affect, impair or invalidate

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

the remainder of this Part, but shall be confined in its operation to the clause, sentence, paragraph, subsection, Section or Subpart to which the judgment is rendered.

Section 381.110 Gender and Number

All terms used in any one gender or number shall be construed to include any other gender or number, as the context may require.

Section 381.111 Non-Discrimination

The Applicants shall comply with the applicable provisions of the Illinois Human Rights Act [775 ILCS 5] and the regulations promulgated under that Act, the federal Fair Housing Act (42 USC 3601), Section 504 of the Rehabilitation Act of 1973 (29 USC 794), the Illinois Environmental Barriers Act [410 ILCS 25], the Illinois Accessibility Code (71 Ill. Adm. Code 400), and all other applicable State and federal law concerning discrimination and fair housing.

Section 381.112 Titles and Captions

Titles and captions of Subparts, Sections and subsections are used for convenience and reference and are not a part of the text.

SUBPART B: GRANTS TO MUNICIPALITIES AND COUNTIES

Section 381.201 Grants to Municipalities and Counties

The Authority shall distribute funds from annual Appropriations in accordance with the following priorities:

- a) To the Authority for its administrative expenses.
- b) After distributing the amount necessary for the purposes of subsection (a), the Authority shall make Grants to municipalities and counties for use in connection with Abandoned Residential Property as follows:
 - 1) 30% of the moneys in the Fund that have been appropriated shall be used to make Grants to municipalities in the County of Cook (other than the City) and to the County of Cook.
 - 2) 25% of the moneys in the Fund that have been appropriated shall be used to make Grants to the City of Chicago.

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

- 3) 30% of the moneys in the Fund that have been appropriated shall be used to make Grants to the municipalities in the Collar Counties and to the Collar Counties.
 - 4) 15% of the moneys in the Fund that have been appropriated shall be used to make Grants to municipalities in the State (other than the municipalities in the County of Cook and the Collar Counties), and to the other counties in the State (other than the County of Cook and the Collar Counties). The Grants made pursuant to this subsection (b)(4) shall be based proportionately on the amount of fees paid to the respective clerks of the court in the affected counties and other factors as deemed appropriate by the Authority.
- c) Where the jurisdiction of a municipality is included within more than one of the geographic areas set forth in subsection (b), the Authority may elect to fully fund the Application from one of the relevant geographic areas.

Section 381.202 Abandoned Residential Property

Abandoned residential property shall mean residential real estate that:

- a) Either:
 - 1) Is not occupied by any mortgagor or lawful occupant as a principal residence; or
 - 2) Contains an incomplete structure if the real estate is zoned for residential development, when the structure is empty or otherwise uninhabited and is in need of maintenance, repair or securing; and
- b) With respect to which, either:
 - 1) Two or more of the following conditions are shown to exist:
 - A) Construction was initiated on the property and was discontinued prior to completion, leaving a building unsuitable for occupancy, and no construction has taken place in 6 months;

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

- B) Multiple windows on the property are boarded up, closed off or smashed through, broken off or unhinged, or multiple window panes are broken and unrepaired;
 - C) Doors on the property are smashed through, broken off, unhinged or continuously unlocked;
 - D) The property has been stripped of copper or other materials, or interior fixtures to the property have been removed;
 - E) Gas, electrical or water services to the entire property have been terminated;
 - F) One or more written statements of the mortgagor or the mortgagor's personal representative or assigns, including documents of conveyance, indicate a clear intent to abandon the property;
 - G) Law enforcement officials have received at least one report of trespassing or vandalism or other illegal acts being committed at the property in the last 6 months;
 - H) The property has been declared unfit for occupancy and ordered to remain vacant and unoccupied under an order issued by a municipal or county authority or a court of competent jurisdiction;
 - I) The local police, fire or code enforcement authority has requested the owner or other interested or authorized party to secure or winterize the property due to the local authority declaring the property to be an imminent danger to the health, safety and welfare of the public;
 - J) The property is open and unprotected and in reasonable danger of significant damage due to exposure to the elements, vandalism or freezing; or
 - K) Other evidence indicates a clear intent to abandon the property; or
- 2) The real estate is zoned for residential development and is a vacant lot that is in need of maintenance, repair and securing.

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

Section 381.203 Eligible Uses of Grant Funds

Eligible Uses of Grant Funds by Municipalities and Counties

Municipalities and counties shall use Grant funds in connection with Abandoned Residential Property as follows:

- a) cutting of neglected weeds or grass;
- b) trimming of trees or bushes and removal of nuisance bushes and trees;
- c) extermination of Pests or prevention of the ingress of Pests;
- d) removal of garbage, debris and graffiti;
- e) boarding up, closing off or locking windows or entrances or otherwise making the interior of a building inaccessible to the general public;
- f) surrounding part or all of an Abandoned Residential Property's underlying parcel with a fence or wall or otherwise making part or all of the Abandoned Residential Property's underlying parcel inaccessible to the general public;
- g) demolition of Abandoned Residential Property;
- h) rehabilitation of Abandoned Residential Property.

Section 381.204 Application Cycle

The Authority will supply interested Applicants with an Application. Applications under the Program will be accepted periodically until the Appropriation is disbursed.

Section 381.205 Application Requirements

Each Application shall include the information required by this Section and any additional information the Authority may require to promote the efficient administration of the Program.

- a) Qualifications. Each Applicant shall document qualifications to complete the Program activities. These qualifications shall without limitation include the following:
 - 1) The applicant is a county or municipality;

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

- 2) The Applicant has the experience or expertise to manage the activities listed in Section 381.203 for which grant funds will be utilized;
 - 3) The Applicant has demonstrated its capacity for effective fiscal management. This is typically proven through a third-party audit; and
 - 4) The Applicant is willing and able to abide by all program requirements.
- b) Applicant's Capacity. Each Applicant shall document its capacity to administer Program funds for Eligible Uses.
 - c) Activities to be Undertaken. Each Applicant shall list which Eligible Uses are to be undertaken with Program funds, including, without limitation, those activities outlined in Section 385.203.
 - d) Time for Expending. Each Applicant shall include a budget and timeline schedule for performing the Eligible Uses of Program funds outlined in the Application.

Section 381.206 Review of Applications

- a) Application Screening. The Authority will review all Applications to confirm that all elements of the Application package have been addressed. Applicants will be notified of deficiencies in Applications and will be given the opportunity to correct non-material deficiencies. Non-material deficiencies are non-significant deficiencies that, by their existence, do not impact the Applicant's ability to meet the requirement of Section 381.205 and of this Section. Completed Applications will be reviewed and evaluated by Authority staff in accordance with subsections (b) through (e) of this Section.
- b) Basic Eligibility Evaluation. Each Application will be reviewed to assure that the Applicant is a municipality or county.
- c) Willingness to Perform. The Applicant must commit to remain ready, willing and able to expend Program funds for Eligible Uses in a timely manner.
- d) Costs. The Applicant must demonstrate that the costs identified in the Application are Eligible Uses under Section 381.203.

ILLINOIS REGISTER

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

- e) Capacity. The Applicant must demonstrate that the proposed activities identified in the Application can be accomplished.

Section 381.207 Grant Administration

- a) Commitment. If awarded Grant funds, a municipality or county shall enter into a Commitment with the Authority. The Grant may be less than the amount requested in the Application. The term of Commitment shall not exceed 2 years, subject to the availability of funds from an Appropriation.
- b) Record Retention. Each municipality and county shall maintain records in connection with the Grant under the Commitment for 5 years after the date of termination of the Commitment.
- c) Monitoring. The Authority, the Auditor General and the Attorney General shall have the right to monitor all municipality and county books and records relating to the Grant and the Program. Each municipality and county shall make all records relating to its Grant and the Program available for inspection, examination and copying by the Authority, the Auditor General and the Attorney General upon reasonable prior notice, as the Authority, the Auditor General or the Attorney General may reasonably require. The required documentation may include, but is in no way limited to, a copy of the municipality's or county's Application to the Authority; all records relating to the Eligible Uses of Grant funds under the Program, as set forth in Section 381.203; and any other documentation required by the Authority, the Auditor General and the Attorney General.

Section 381.208 Funding of Grants

Subject to the terms of the Commitment with the Authority and the related documents evidencing the grant, the Authority will provide funds to the awarded municipalities and counties when the Appropriation is made available and as set forth in Sections 381.201 and 203.

Section 381.209 Reporting Requirements

Each awarded municipality and county shall provide reports to the Authority, on forms provided by the Authority, at the end of each quarter of the term of its Commitment. The municipality or county shall identify, at a minimum, evidence and back-up documentation of expenses for Eligible Uses, including, but not limited to, receipts, ledgers, invoices, before and after pictures, addresses or geographic coordinates, number of abandoned residential properties served, and any other information requested by the Authority.