

**TO:** HOUSING + COMMUNITY DEVELOPMENT  
COMMITTEE

**FROM:** KYLE SMITH, DIRECTOR OF HOUSING INITIATIVES

**SUBJECT:** STATE AND FEDERAL POLICY UPDATES

**DATE:** MAY 20, 2021



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This memo summarizes recent federal and state legislation as it relates to local housing and community development activities that may be of interest to local governments.

### **General Assembly Legislation Overview**

This memo only details those housing and community development bills that affect or may be of interest to local governments.

**HB 2877: COVID-19 Emergency Housing Assistance Act.** This act cancels foreclosure sales for homeowners and small landlords through July 31. It also contains provisions to seal eviction records and for the state emergency rental assistance program. **Status: Passed.** Bill was passed by House and Senate and enacted into law on May 17.

**HB 116: Rent Control Pre-emption Act.** This bill would enable local governments to enact rent control policy. Committee members expressed concern about the implementation of rent control in some submarkets as well as a referendum requirement for individual communities. **Status: Did Not Pass.** The bill passed its Committee but was not called for a vote on the House floor.

**HB 267: Local Residential Inspections Act.** This bill would have limited the ability of municipalities to conduct inspections without the consent of landlords or tenants. It is identical to a bill in 2019 that passed from Committee but did not receive a reading. **Status: Did Not Pass.** This year, many municipalities filed witness slips and it was not called in Committee.

**SB 2445: Housing Omnibus Bill.** This housing omnibus bill combines several independent bills into one package. Items include:

- Amends the Affordable Housing Planning and Appeals Act to explicitly apply to home rule municipalities and to require non-exempt municipalities to hold a public hearing.
- Property Tax Assessment Policy would create affordability by reducing assessed value for multifamily buildings with 7 or more units in return for a specific percentage of affordable homes. Because the incentive would apply after property investment, it would not negatively affect property tax revenue. Under the bill, it would apply in Cook County with an opt-out for other county boards.
- Build Illinois Tax Credit to create an additional financing mechanism for affordable housing in the state.

**Status: Has Not Passed.** The bill has been placed on the deadline of third reading in the Senate for Friday, May 21.

## **Federal Legislative Overview**

It is possible that a federal infrastructure bill will have a housing component. The American Jobs Plan framework, which is not legislation, included \$213B for housing components. The specifics of the bill are now in bipartisan negotiations and counterproposals have not included a housing component. MMC staff will monitor the outcome and communicate any relevant provisions to the Committee.

If you are interested in learning more about these bills, or setting aside Committee time to discuss and formulate a position, please do not hesitate to reach out to me. I will work with our partners to understand more about them and how they might affect local governments.

Sincerely,

Kyle Smith  
Director of Housing + Community Development Initiatives  
Metropolitan Mayors Caucus