

**SB 2698: Good Housing Good Schools Bonus**  
(Sponsored by Sen. Iris Martinez and Sen. Miguel del Valle)

Advancing good housing and balanced communities

Illinois' first ever housing policy advances the state's interest in supporting municipalities and other stakeholders that are preserving and expanding affordable and workforce housing. This policy was first articulated in the 2003 Executive Order 18, and then transformed into "Building for Success: Illinois' Comprehensive Housing Plan" at the end of 2004. A major emphasis, in the new State effort, is the recognition that housing is an essential component of the state's economy, a community's balance, a family's stability, and a child's education.

Supporting Quality Schools

As municipal leaders and housing developers work to renovate or build affordable and workforce housing, they need to look at more than bricks and mortar: quality schools and quality housing go hand-in-hand. To support communities moving ahead to meet the state's housing goals for affordable and workforce housing, and to acknowledge the intrinsic connection between housing and schools, this legislation creates a school funding bonus for school districts with new or renovated multifamily housing developments. Illinois would join Massachusetts in offering this type of incentive. The bill provides such a **bonus when multifamily housing (non-age-restricted, not detached single-family dwellings) advances the preservation and/or live-near-work goals of the state's housing plan.**

How it works

The Ill. Housing Development Authority (IHDA) will certify that a multi-family housing development advances the state's preservation and/or live-near-work goals. Within the Ill. State Board of Education, a new fund will be created to administer the Good Housing Good Schools Bonus. Based on the certification, the Ill. State Board of Education shall be directed to distribute the bonus directly to the school district serving that development, subject to the availability of funds. Eligible housing must provide for long-term affordability of the units preserved or created. All multifamily housing applications received by IHDA from a developer or municipality will automatically be considered for the school funding bonus. In transactions not seeking IHDA assistance, the municipality, school district, or developer can also submit an application to IHDA.

The annual amount of the school funding bonus for eligible developments will be ***\$1,120 for each two-bedroom unit, with \$560 awarded for each additional bedroom in larger size units.*** This amount was determined to reward communities for meeting State Housing goals and to keep them whole as they meet their educational goals. The amount reflects the average difference between the school tax that would have been paid by qualifying developments in previous years, if this legislation had existed. The bonus will continue so long as the housing continues to meet the state's goals. Based on this formula, the annual estimated annual cost of the bonus is less than \$5 million.

Since the Local Planning Technical Assistance Act already enables the state to provide funding preferences in state programs (education, transportation, planning, etc.) to communities that meet certain standards specified in the LPTA, the Act is amended by SB2698 to add the Good Housing Good Schools Bonus.

**For more information contact:**

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Supported by (List in Formation)

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