

Support HB 5198 (Rep. Katz Muhl)

Strengthening the Affordable Housing Planning and Appeal Act (AHPAA)

State law since 2004, the Affordable Housing Planning and Appeal Act (AHPAA) ([310 ILCS 67/1, et al.](#)) is Illinois' sole law requiring municipalities with very high housing costs to develop and implement plans for the creation and preservation of affordable housing. Only 44 municipalities—those with a dearth of affordable housing (for rent and for sale) options—are currently subject to the law.

While AHPAA has resulted in some municipalities taking meaningful action, the law's impact has been blunted and our state's chronic housing challenges remain:

- **Illinois is not meeting the housing needs of current residents:** We are short more than [250,000 affordable rental homes](#) for low income and working class families (those making less than 50% of the state's area median income) and nearly [11,000 units of Permanent Supportive Housing \(PSH\)](#) for neighbors in need of wrap-around services.
- **Illinois' failure to provide housing for—and retain—existing residents has national consequences:** Housing pressures are [a leading cause of migration from Illinois to other states](#). In Chicagoland, this population loss is more pronounced for [working class Black and Latine families](#). Outmigration has contributed to the state's trend of losing 1-2 electoral votes (and corresponding seats in the U.S. House) [after each of the last five Censuses](#). And the state [is on a trajectory to lose another vote/seat in 2030](#).
- **Costly and complex approval processes delay and reduce the impact of affordable developments:** Unnecessary and expensive changes to proposed developments drive up costs, resulting in fewer homes for Illinois families. For example, [a 2013 proposal to build 49 affordable homes on church property in an AHPAA community](#) took more than a decade to complete and delivered [half the homes the congregation sought to build](#).

AHPAA could be a more useful tool to help solve these chronic problems in our state, but the law needs to be strengthened. Current challenges include:

- **Procedural hurdles** keep developers and other parties from utilizing AHPAA's powerful appeal process when affordable developments are improperly denied.
- **Communities treat AHPAA's affordability threshold as a ceiling** and abandon initiatives to increase workforce housing once they're no longer subject to the law.
- **More than a third of the 44 municipalities currently subject to AHPAA failed to submit any Affordable Housing Plan at all before the deadline**—and just 10 submitted Plans that complied with the law's minimum standards.

It's time to strengthen AHPAA to secure Illinois' future—learn how on the reverse side.

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Issue #1: *AHPAA’s built-in appeals process—intended to create a path forward for unfairly denied affordable and mixed-income developments—remains untested 20+ years after the law’s passage due to high costs and extensive procedural hurdles.*

Solution #1: Modernize the appeals process by borrowing best practices from other states with similar laws. This includes requiring municipalities to use their own records to demonstrate that a proposed affordable development was denied or restricted for an acceptable reason (rather than making developers prove the denial or restriction was improper), giving the State Housing Appeals Board the ability to award attorney fees if an appeal is successful, and clarifying that a municipality’s failure to make a decision on an affordable housing proposal is appealable.

Issue #2: *Despite improvements to the minimum standards for Affordable Housing Plans in the current cycle, many communities struggled to submit compliant plans on time—and some chose not to comply.*

Solution #2: Make minor changes to the statutory requirements for plans and give the Illinois Housing Development Authority direction to create rules and regulations. Updated regulations will clarify how the agency will evaluate compliance with the law’s planning requirements—something missing from AHPAA’s current regulations. Make it clear that communities that fail to submit compliant plans will be referred to the Illinois Attorney General for potential enforcement.

Issue #3: *Almost every municipality in Illinois is exempt from AHPAA’s planning requirements because the acceptable level of affordable housing in a community is incredibly low, while some very small municipalities without full-time staff lack the administrative capacity to comply with the law’s requirements.*

Solution #3: Increase the threshold for being an exempt community from having at least 10% affordable housing to at least 25% affordable housing, while also exempting all communities with a population less than 2,000 (rather than the current 1,000). Using this standard, based on IHDA’s 2023 analysis, only 83 of Illinois’ 1,298 municipalities would be subject to the law. At least ten of the communities that would be newly subject to the law have identified affordable housing as a priority, so this change would simply ensure those communities’ priorities are laid out in plans that meet AHPAA’s minimum standards.



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