Illinois Bridge Subsidies:
How the Process Works for Property Owners and Managers

This document gives property owners a basic overview of how it works when a tenant uses a Bridge Subsidy to pay for some or all rent in your rental unit.

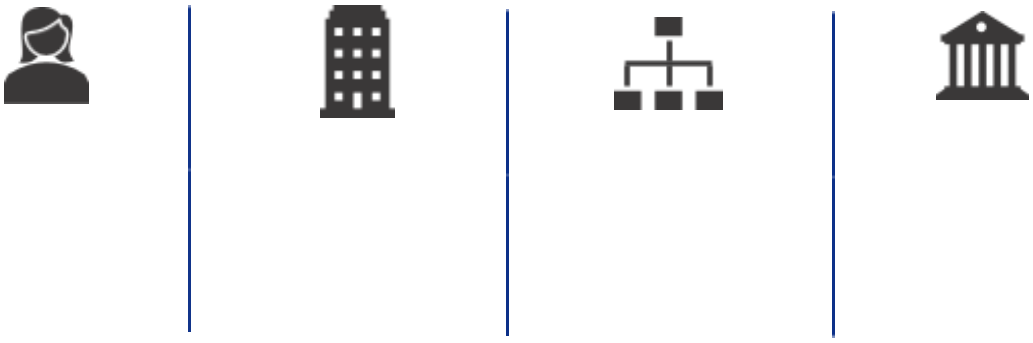
How the Bridge Subsidy Program works

The Illinois Department of Human Services (IDHS) oversees this program, which supports community members moving from places such as nursing homes into their own rental units. Bridge Subsidy participants pay up to 30% of their income toward rent, and the program covers the rest of the rent balance. The program may cover move-in fees and security deposits as well.

Bridge Subsidies are a protected Source of Income under Illinois's Human Rights Act[1]. This means that property owners and managers cannot discriminate against a potential tenant or treat a potential tenant differently for using a Bridge Subsidy.

Who is involved in the process

Here is who you will be working with:



[1] HB3042 104TH GENERAL ASSEMBLY

Tenant,
who signs the lease on the unit

The service partner, an organization that provides support services to the tenant

Subsidy Administrator[2](SA), the organization that manages the subsidy program in your county

IDHS, the state agency that oversees the program

[2] Catholic Charities is the SA for Cook and Lake County. For all other counties, Illinois Association of Community Action Agencies (IACAA) is the SA.

Steps to getting your unit rented

The first step as a property owner is to approve a Bridge subsidy participant as a tenant in the unit. Before the lease can be signed, there are a few things that need to happen:

1. Unit inspection

You should make sure the unit is **vacant** and **ready** for inspection. Here are the steps:

Inspect	The service partner working with the tenant requests a unit inspection from the Subsidy Administrator (SA).
Inspe	The SA emails you and service partner with an inspection date, usually 4-7 business days from inspection request.
Passing t	The SA lets service provider, and you know if unit passed the inspection by the business day after the inspection.

2. Rent approval

IDHS must also approve the rent amount and make sure it is reasonable. This usually happens during or right after the inspection process. If the rent amount exceeds the Fair Market Rate (FMR) by 110% or more, there may be an additional review process to determine if the FMR overage will be approved or denied.

If the rent amount changes between the inspection and lease signing or there is an error, contact your Subsidy Administrator right away.

3. Program paperwork

Housing Assistance Payment (HAP) contract and additional paperwork

When the Subsidy Administrator confirms by email that the unit has passed inspection and the rent has been approved, you will get a HAP contract outlining the Bridge Subsidy agreement to complete and sign. You will also get a list of documents you may need to submit such as a W-9 and your company bank information for direct deposit.

Lease

Once the unit passes the inspection and IDHS approves the rent amount, you can have the tenant sign the lease. The lease start date can be as early as the inspection day if the unit passes inspection, and rent is approved. The lease must match what is described in the HAP contract, including the approved rent amount.

4. Submitting documentation

The final step for property owners is to submit all necessary documentation. Property owners will need to send a copy of the signed lease, a signed HAP contract, and all requested documents to the Subsidy Administrator.

How payment works

Bridge Subsidy portion

In most cases, the Subsidy Administrator (SA) will pay you for the first partial month of rent within 10 business days of getting your required documents. Going forward, the SA pays the Bridge Subsidy rent balance owed on the 1st of each month. The SA may pay the entire rent amount for some tenants, especially in the first months of the lease.

Tenant portion

Tenants will pay their part of the rent to you directly.

Frequently asked questions from property owners and managers

Q: Who signs the lease agreement?

A: You and the tenant sign the lease agreement. The SA and service provider offer resources and support to the tenant and can be helpful contacts for you. These organizations cannot sign the lease though.

Q: How does it work if the tenant and the property owner want to renew the lease?

A: Each year, you will need to complete a housing inspection, submit a new HAP contract, and sign a new lease. The SA will contact you and the tenant about 90 days before the current lease ends to start the process again.

Q: Does the Bridge Subsidy require lease addendums or other requirements?

A: There is a Tenancy Addendum that is a part of every HAP Contract.

Q: How is the rent paid?

A: The Subsidy Administrator makes the first payment by check through FedEx. Future payments will directly deposit into your account. If you prefer to receive all payments by check through FedEx, contact the Subsidy Administrator.

Q: Are the Bridge Subsidy rent payments guaranteed?

A: The HAP contract acts as a written guarantee between you and the Subsidy Administrator as long as:

- The unit remains in Housing Quality Standards Compliance (passes inspection)
- The tenant continues to live in the unit and has an active lease
- The State of Illinois continues to fund the program

Q: What are the rental rate limits for tenants in this program?

A: The Bridge Subsidy follows Fair Market Rents by zip code published by HUD

Q: What should I do to prepare for an inspection?

A: Here are some areas to review to increase the likelihood of passing inspection:

Health + safety

- ✔ Electrical cover plates are in good shape. None are cracked, broken, or missing.
- ✔ There are no electrical hazards such as electrical outlets where water might splash/collect, that need covering, or that need to be replaced with GFCI outlets.
- ✔ There should be a working smoke detector on each level of the unit.
- ✔ Any carpet is free of seams pulling apart or other tripping hazards.
- ✔ There are no signs of rodent, mice, or bug infestations.

Utilities + appliances

- ✔ Gas, electricity, and water service are all turned on.
- ✔ The stove and refrigerator work during inspection. (If tenant must supply a stove and refrigerator, the appliances will be inspected once installed.)
- ✔ There are no water leaks in the unit.
- ✔ The water heater works and has a temperature pressure release valve with a drain line.
- ✔ If the bathroom has no window, it has a fan plugged in and in working order.

General living conditions

- ✔ Walls are in good condition with no excessive paint chipping or peeling (less than 10% of a unit's room or space).
- ✔ There is no trash or debris inside or outside the unit.
- ✔ Windows are in good condition with no badly cracked or broken glass or rotting frames.

If a unit fails, you will have a chance to fix the issues and have a follow up inspection.

Additional questions

If your unit is…	**Contact your Subsidy Administrator…**
In Lake or Cook County	Barry Sturm, Senior Occupancy Specialist Catholic Charities of Chicago bsturm@catholiccharities.net 312-655-7052
In Illinois outside of Lake or Cook County	Jacob Yard, Program Specialist Illinois Association of Community Action Agencies jyard@iacaanet.org 217-789-0225, Ext. 115

You can also contact IDHS with questions at DHS.CWCDHousing.org or call 312-814-3342.