



# HB5170: Senior Home Preservation Program Act

## FREQUENTLY ASKED QUESTIONS

### Our state budget is tight. How can we justify a new program?

*Simple: A dollar in home repairs prevents exponentially higher taxpayer expenditures in a “cure.”*

According to the national [Coalition for Home Repair](#) (2023):

Nearly 3 in 4 low-income homeowners are experiencing at least 1 housing problem.

*Housing problems include: overcrowding, lack of kitchen facilities, lack of plumbing facilities, or housing cost burden greater than 30%*

Source: HUD's custom tabulations of ACS data

“More than 19 million older adults are living in homes that are in disrepair or ill-equipped to safely meet their needs.”

Source: Habitat for Humanity

Every \$1 spent on urgent home repairs can save \$19 in Medicare/Medicaid costs.

Source: North Carolina Housing Finance Agency

It costs about 26 times more to build a new affordable home (\$100,000) than to repair an existing one (\$3,800).

Source: Measuring and Understanding Home Repair Costs, 2019

- **This program creates efficiencies** and a platform for consolidating duplicative home repair, single-family repair, and accessibility modification programs.
- **This program can contribute to the success of affordable housing** construction and property management projects by creating a skilled maintenance workforce.
- **Preservation is prevention**, which is always less expensive than “a pound of cure” and will ultimately save the state Medicaid funds (from preventable hospitalizations from falls, e.g.), funds for affordable housing construction, and unnecessary demolitions. *The [North Carolina Housing Finance Agency](#) reports (2017) that every \$1 spent on its Urgent Repair Program could save up to \$19 in Medicaid/Medicare spending.*
- **This program will lower utility bills.**
- **This program will have a positive impact on the environment** by improving energy efficiency, eliminating leaks, and hazardous chemicals in the home.
- **This program creates good jobs** in the home repair and construction trades.
- **This program benefits neighborhoods and local economies.** Rebuilding Together estimated [\\$1 spent on their repair programs generated \\$2.84](#) in a “social return on investment.”

### We have multiple home repair programs. Why is this program needed?

- **This bill focuses specifically on older adults.**
- **Older adults are the age group entering homelessness at the fastest rate** (Source: [Urban Institute](#)).

- **This program will meet high demand**, as demonstrated by long waiting lists.
- **This new infrastructure provides incentives to coordinate existing programs** in myriad departments.
- **Parts of Illinois have little to no repair infrastructure.**

### **Isn't this just another Chicago program?**

- **No. All Illinois geographies have low-income senior homeowners having trouble** keeping up with maintenance. Outside of the Chicago area, there are over 65,000 homeowners aged 62 or over earning less than 80% AMI living in 1-4 unit properties built before World War II. There are another 152,000 living in properties built between 1940 and 1970. (Source: *DePaul Institute for Housing Studies, 2023*)
- **No. Vast areas of Illinois have few to no contractors** with home repair skills.
- **No. This program also incorporates manufactured housing** or mobile homes.
- **No. Disability is a key factor everywhere**, especially for those in older housing. For example, Springfield has a higher share of low-income senior homeowners with ambulatory difficulties living in older buildings, necessitating repairs or modifications to age in place.

### **How will this program help disadvantaged populations?**

- **This program has a direct benefit** for any senior with poor credit or a low home-to-value ratio, disproportionately low-income seniors or seniors of color. Seniors would get the repairs directly without having to qualify for a loan, even if it is forgivable.
- **Black and Latine senior homeowners with few alternatives can access the repairs or modifications they need.** In Illinois, Black and Latine seniors aged 55 and older were denied home improvement open lines of credit at rates 1.7 and 1.6 times higher, respectively, than white seniors. In Cook County, Black and Latine seniors were denied 1.9 and 1.8 times more, respectively. (Source: [Woodstock Institute](#))
- **This program prevents seniors from turning to scam lenders** or contractors.
- **This program creates new skilled jobs** in the construction trades for underrepresented groups.
- **This program also largely helps women**, who are more likely to live alone when they are older. In 2023, 31% of women aged 65+ lived alone vs. 19% of men. Additionally, 32% of older (65+) Black adults live alone, vs 27% of white adults, 19% of Hispanic, and 14% of Asian adults. (Source: [Pew Research Center](#))
- **This program provides an extra economic benefit to neighborhoods and municipalities** in which people of color predominate; Latine and Black older adults are [twice as likely to live in high-poverty neighborhoods](#) than white older adults.

### **This is a lot of money/ this is not a lot of money.**

- **Funding for the first year of this 3-year program will be used to create the “one-stop” infrastructure** at the Department of Human Services to take inquiries online or by phone; to set up the pathway for community groups or counties to become delegate agencies to effect repairs; finalize the geographies to be served; and establish connections to workforce development entities.
- **The second two years will be focused on service delivery.** We anticipate an average of \$40,000 per home will be spent on repairs. In Illinois, seniors aged 55+ requested a median \$55,000 for home improvement loans (Source: [Woodstock Institute](#)). The [Detroit Home Repair Fund](#) has averaged \$29,000 per home.