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## Federal Funds Stimulate Affordable Housing Construction, Job Creation across IL

*State announces complete allocation of ARRA housing stimulus dollars*

**CHICAGO** – The Illinois Housing Development Authority (IHDA) announced federal American Recovery and Reinvestment Act (ARRA) funds have enabled the start of construction and rehabilitation of nearly 5,500 affordable rental homes, creating an estimated 4,855 jobs statewide.

As the state’s housing agency under Governor Pat Quinn, IHDA has completed the allocation of \$359.2 million to create safe, decent and affordable rental housing opportunities for working families, seniors and persons with disabilities. Federal housing stimulus programs that President Obama signed into law have proved effective in increasing affordable housing construction and job creation across Illinois.

“The Recovery Act is working to positively impact communities and advance the state’s recovery,” said IHDA Executive Director Gloria L. Materre. “Housing is the foundation of communities. These federal funds are helping families and strengthening neighborhoods by creating more affordable rental homes and jobs.”

Developments range from new affordable apartments serving homeless Veterans in Chicago to rent-to-own single-family homes in Granite City. (See [IHDA’s](#) website for a complete list of stimulus-funded developments).

The \$359.2 million includes funding through the U.S. Department of Housing and Urban Development’s ([HUD](#)) Tax Credit Assistance Program (TCAP), and the [Treasury Department’s](#) Section 1602 Tax Credit Exchange Program. The two programs jumpstarted construction on developments that otherwise would have been unable to move forward due to financing gaps in the wake of the national financial crisis.

Over more than two decades, the federal Low-Income Housing Tax Credit (LIHTC) worked as an effective tool to spur affordable housing production nationwide. When the nation’s credit markets froze due to the economic downturn, so did the investments that state housing agencies were able to provide. Investors were left on the sidelines as tax credit values plummeted, bringing housing development to a standstill.

Together, the TCAP and 1602 programs provided the equity necessary to boost affordable housing development in Illinois, and nationwide.

About the Illinois Housing Development Authority

IHDA ([www.ihda.org](http://www.ihda.org)) is a self-supporting state agency that finances the creation and the preservation of affordable housing across Illinois. Since its creation in 1967, IHDA has allocated more than \$10.6 billion and financed approximately 215,000 affordable units across the state. IHDA accomplishes its mission through a number of federal and state funding sources including the Illinois Affordable Housing Trust Fund, the Illinois Affordable Housing Tax Credits Fund, the allocation of federal Low-Income Housing Tax Credits, and HOME Investment Partnership funds. IHDA is also a bonding authority, and independently sells bonds, based on its own good credit, to finance affordable housing in Illinois.