

For Immediate Release

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IHDA Develops Affordable Homes in Central Illinois

Model Public-Private Development Supported by Federal Funds

NORMAL, IL – Life is more affordable for Anna Jean and Donald Winn thanks to the new Cottage Apartments development in Normal. The couple loves their new apartment, which offers affordable rents and allows them to save money on gas because it is close to their church, grocery store and favorite produce market.

Anna Jean, 82, and Donald, 74, moved into their new apartment in August. “Our new home is close to our church, and the grocery store is just across the street,” she said. “We are able to save on gas because of the great location.”

Mary Kenney, Executive Director of the Illinois Housing Development Authority (IHDA), which financed the project, joined Bluestem Housing Partners NFP and local dignitaries today to celebrate the grand opening of the independent living facility for seniors, at 1000 S. Cottage Ave. The construction of the Cottage Apartments created more than 60 jobs, and produced 50 quality affordable rental homes for low-income seniors.

“Under Governor Pat Quinn, Illinois has used federal housing stimulus dollars to generate 4,855 jobs and 5,500 affordable housing units across Illinois,” Kenney said. “This development is emblematic of IHDA’s mission to finance quality affordable housing with the successful blend of government investment and private sector resources.”

As the state's housing finance agency, IHDA allocated \$5.3 million to build Cottage Apartments, including \$1.5 million in American Recovery and Reinvestment Act (ARRA) funds and \$3.8 million in loans and tax credits from other state resources. The stimulus funds revived dormant construction plans for Cottage Apartments.

IHDA invested federal tax credits for the project in July and December 2009, which would have generated millions of dollars in private equity for the development. However, financing fell through when the country's economic recession caused the value of tax credits in the financial markets to plunge. The federal stimulus funding bridged the financing gap and enabled construction to begin.

Cottage Apartments was developed by Bluestem Housing Partners NFP. The three-story, 50-unit independent living building serves residents who are over the age of 55: 10 percent of the units are reserved for elderly residents in need of supportive housing services. Amenities include a fitness room, library and community room.

Residents must earn at or below 60 percent of the area median income, or \$33,240 for an individual in McLean County, according to the U.S. Department of Housing and Urban Development (HUD) guidelines. Monthly rents range from \$300 to \$610 depending on unit size and income. (For leasing information, contact First Site Ltd. at (309) 888-4444.)

"Cottage Apartments provides its residents safe and decent housing at rents they can manage, even on a limited budget," said Audra Hamernik, Board President, Bluestem Housing Partners NFP. "Thanks to the support of Governor Quinn and IHDA, we were able to complete construction on this important development."

About the Illinois Housing Development Authority

IHDA (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 Partnerships Program funds. IHDA is also a bonding authority, and independently sells bonds, based on its own good credit, to finance affordable housing in Illinois.

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