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ROD R. BLAGOJEVICH – GOVERNOR

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Gov. Blagojevich announces conference to address the affordable housing needs of Illinois residents

Top housing experts will discuss how to increase affordable housing during the State's Summer Affordable Housing Conference and mark the Illinois Housing Development Authority's 40th anniversary

SPRINGFIELD – Building on his commitment to help working families, seniors and the disabled have expanded access to decent, affordable housing, Governor Rod R. Blagojevich today announced the opening of the State's Summer Affordable Housing Conference in Springfield. The State's top affordable housing experts, developers, lenders and other housing practitioners gathered at the Abraham Lincoln Hotel and Conference Center to explore how to increase affordable housing options for Illinois residents and learn about the State's existing affordable housing resources.

“Owning a home is a big part of the American dream. But in some communities, that dream is unattainable because of high housing costs. This conference will help bring about new ideas and strategies to make sure we're helping working families have a real shot at finding safe, affordable housing where they can raise a family, build equity and become a part of their communities,” said Gov. Blagojevich.

The event coincides with the 40th anniversary of the Illinois Housing Development Authority (IHDA), the self-supporting State agency responsible for increasing the supply of decent and safe homes for low-income residents.

“Under the leadership of Gov. Blagojevich, Illinois is nationally recognized for its successes in affordable housing. This year IHDA celebrates 40 years of financing the creation and preservation of affordable housing statewide. The challenge we all face going forward is to grow the quantity and range of affordable housing available to Illinois families. We will continue to foster the kind of innovative thinking needed to help Illinoisans afford decent and

safe homes,” said DeShana L. Forney, executive director of the Illinois Housing Development Authority.

“IHDA and its partners are working hard to meet the housing needs in my district and in rural communities around the state. We've shown that new housing is not only needed in rural areas, it can also be an agent of change. Often, young families choose to stay in rural areas given the opportunity to buy or rent near jobs,” said Senator Deanna Demuzio (D-Carlinville), keynote speaker at the conference today.

“The cumulative impact of the affordable housing development sector on the economy is often understated. For example, in Illinois in FY 2006, organizations such as IHDA and its many partners helped generate over \$69 million in federal, state, and local taxes and fees -- while creating over 4,000 full-time jobs. By utilizing the standards of the National Association of Home Builders, it has been estimated and reported that the total economic activity generated by the Authority's programs equal over \$567 million in FY 2006. When a house or apartment complex is built or rehabilitated, materials are purchased, workers are employed, wages are spent and multiplied in the community,” said Harry Pestine, Community Affairs Program Director and Economic Development Editor of Profitwise News and View for the Federal Reserve Bank of Chicago. Pestine gave a presentation about community and economic development and the economic impact of affordable housing development at the conference.

On behalf of the Governor, IHDA also recognized three Illinois banks for their shared commitment to affordable housing. Lender Achievement Awards were presented to Marine Bank in Springfield, the First National Bank of Carmi in southern Illinois, and the Farmers and Mechanics Bank in Galesburg. The three banks are among IHDA's partner lenders across the State who are instrumental in connecting low- and moderate-income homebuyers to the Authority's below market interest rate loans such as the I-Loan Mortgage program and the recently launched G-I Loan for Heroes program benefiting veterans and active duty service personnel.

The conference included more than 10 concurrent sessions detailing the State's affordable housing programs and the different financing options for homeownership and multi-family development offered by IHDA. Attendees also discussed the existing and emerging challenges facing the industry such as preservation, increasing foreclosure rates in Illinois, the rising costs of construction and housing values, and helping persons with disabilities and other special needs find affordable housing in the community.

The Conference is the latest step taken by Gov. Blagojevich to improve the affordability of Illinois' housing.

- In 2003, the Governor established the first statewide Affordable Housing Task Force to help develop a coordinated approach to financing and developing affordable housing.
- In 2005, the Governor's Task Force created the landmark *Illinois' Comprehensive Housing Plan: Building for Success* which identified statewide housing needs and established tangible strategies to meet the needs of six priority populations including low-income families, seniors, and people with disabilities.

- As a result of the 2006 Plan, 1,995 Illinois homebuyers in 79 counties purchased their first homes with more than \$217 million from I-Loan home mortgage programs. A total of 255 first time homebuyers were helped in Cook County, 201 homebuyers in McLean County, 188 in Kendall County, and 152 in Champaign County.
- The coordinated approach also led to State agencies working together to create or rehabilitate more than 4,200 rental units across Illinois for low-income seniors with \$240.5 million in financing for low-income seniors.
- Also in 2006, the State helped more than 650 homeless families and individuals secure a safe and decent place to live utilizing \$55.6 million to finance the creation and rehabilitation of affordable units.
- In addition, a new \$1 million Home Modification Program was launched to help low-income seniors and disabled individuals across Illinois afford basic home improvements and continue living independently in their own homes.
- Last year, Gov. Blagojevich signed the milestone Comprehensive Housing Planning Act into law to create and preserve affordable housing across the state and ensure that the housing needs of the identified vulnerable populations remain a priority in Illinois for many years to come.
- Last month, the Governor launched a new \$15 million pilot mortgage program to help Illinois veterans and active duty personnel afford their own homes. The *G-I Loan for Heroes* is designed to help more than 100 qualified veterans and service men and women secure low-interest mortgages and closing cost assistance. The announcement made Illinois the first state in the nation to provide significantly below-the-market interest rates for 30-year fixed mortgages to qualifying former and current servicemen and women who are working hard to provide for themselves and their families.