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# News Release

## State launches search for local administering agencies to help run the nation's largest rental assistance program

*Illinois' Rental Housing Support Program will lower rents for 4,000 families*

**Chicago** - The Illinois Housing Development Authority (IHDA) today released a request for proposals (RFP) from local administering agencies to help run the nation's largest rental assistance program. Illinois' Rental Housing Support Program will help around 4,000 families during the first year afford their rents starting early 2008.

"The Rental Housing Support Program will mean the difference between losing or keeping a home for many hard-working families in Illinois," said DeShana Forney, executive director of IHDA. "This initiative will help many low-income families, seniors and people with disabilities escape homelessness by ensuring that eligible tenants do not contribute more than approximately 30% of their income to rent. Governor Rod R. Blagojevich understands the important role that helping Illinois families afford a safe and decent home has on creating a better future."

The Governor signed the Rental Housing Support Program Act in July 2005 to help localities address the need for decent, affordable, and permanent rental housing. Under the program, the Illinois Housing Development Authority (IHDA) will award funds to local administering agencies that in turn provide subsidies to landlords. These subsidies will allow extremely low-income households to afford their rents. All households who earn less than 30% of the area median income, or approximately \$22,000 per year for a family of four in Chicago, will qualify and will not have to contribute more than approximately 30% of their income to rent. The local administering agency will pay the remainder of the balance from program funds.

Local housing authorities, municipalities, and non-profit community groups have until 5 p.m. on November 30, 2007 to apply to become a local administering agency. Administering agencies will help identify property owners in their area to participate in the program, process applications from landlords directly, help determine tenant eligibility, and inspect all units included in the program. IHDA will conduct a series of trainings across the State for groups interested in applying to become administrative agencies through the RFP process. Training schedules and locations, application forms and program guide are available at [www.ihda.org](http://www.ihda.org) or by calling

Program Manager April Lasker at the 312-836-5357. A list of selected local administering agencies will be released early next year.

It should be noted that while tenants are the targeted beneficiaries of the program, they cannot apply directly for the subsidies.

Funds for the program come from a \$10 fee collected from real estate document recordings and are expected to generate more than \$25 million dollars in the program's first year of operation to help approximately 4,000 households.

Fewer than half the states in the nation have a rental assistance program and only two other states, Massachusetts and Connecticut, provide long-term rental support.

"Due to the limited availability of affordable rental housing, many low-income families throughout the State are being forced to spend a disproportionate share of their income on rent," said Julie Dworkin, policy director at the Chicago Coalition for the Homeless, the advocacy group that led the effort to win passage of the Rental Housing Support Program Bill in 2005. "This is not to mention the households that face additional difficulty in finding affordable housing due to disabilities or special needs of family members. These families need help and the Rental Housing Support Program will help ease some of that burden."

The Governor's Housing Task Force identified funding for rental assistance as a significant need in the State's first comprehensive housing plan "Building for Success," released in 2005. The Plan also called for spending earmarked for affordable housing at several state agencies to be strategically targeted to the following priority populations: very low-income families; low-income seniors; low-income people with disabilities; homeless people and those at risk of becoming homeless; low- and moderate-income families and people unable to find affordable housing near jobs or transportation; and low-income families and people living in existing affordable housing in danger of becoming unaffordable.

The 2005 Housing Plan was developed by the Governor's Housing Task Force, and organized and lead by IHDA. The 35 members of the Task Force are advocates, developers, lenders, and state agency representatives, including eight Illinois state agency directors. The Task Force also developed "*On the Road to Success: Illinois' Comprehensive Housing Plan 2006*" and more recently "*Affordable Housing Dimensions: Illinois' 2007 Comprehensive Housing Plan*" which highlights how the Governor's vision as outlined in the first two Plans, is already reshaping affordable housing in Illinois.

#### 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 by an act of the Illinois legislature in 1967, IHDA has allocated more than \$7.27 billion and financed more than 174,000 units of affordable housing 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, HOME Investment Partnership funds and others. IHDA is also a bonding authority, and independently sells bonds, based on its own good credit, to finance affordable housing across the state.

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