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# NEWS

ROD R. BLAGOJEVICH – GOVERNOR

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## **Gov. Blagojevich announces \$7.2 million to build affordable homes for low-income families in Springfield and Jacksonville**

*Developments will help restore several neighborhoods including areas hit by the March 2006 Springfield tornadoes*

**SPRINGFIELD** – Governor Rod R. Blagojevich today announced \$7.2 million in low-interest loans, grants, and tax credit equity to build affordable rental homes for 42 low-income, working families in Springfield and Jacksonville. The Nehemiah Homes, to be built on scattered sites in Springfield’s Eastside neighborhood, will also help restore the area damaged by the March 2006 tornadoes, while the Downtown Commons development in Jacksonville will help the city achieve its revitalization plans.

“Hard working families deserve a decent home that they can afford. These funds will help provide a stable and safe environment for dozens of families in Springfield and downtown Jacksonville as well as rebuild some of the areas damaged by the 2006 storms,” Gov. Blagojevich said.

“Governor Blagojevich understands the importance of housing development to communities such as Springfield’s Eastside neighborhood and the City of Jacksonville. As a Springfield native myself, I am proud that state funding will help restore this area. The Jacksonville development will also help spur additional construction to the city and create some much-needed affordable homes for local residents,” said DeShana L. Forney, Executive Director of the Illinois Housing Development Authority (IHDA), who spoke at groundbreakings for both projects today.

The 20 Nehemiah single-family homes will be built at scattered locations in Springfield’s Eastside neighborhood, including Clay Street, East Kansas Street, East Stuart Street, South Wheeler Avenue, and South Wirt Avenue. The sites are close to the area that was extensively damaged by the tornadoes that hit central Illinois on March 12, 2006.

The Nehemiah Homes will receive \$3.3 million in state financing, which includes a \$288,600 low-interest loan from the Illinois Affordable Housing Trust Fund, and \$344,029 in federal Low-Income Housing Tax Credits that will generate approximately \$3 million in equity for the project. As the state's affordable housing agency, IHDA will allocate the Trust Fund loan and tax credits on behalf of the state. The Illinois Department of Commerce and Economic Opportunity (DCEO) will contribute a \$40,000 grant to install energy efficient windows, insulation, lighting, and appliances.

"Windsor Development Group is grateful to Gov. Blagojevich, IHDA, and DCEO for recognizing that these areas in Springfield and Jacksonville need more affordable housing," said Mike Niehaus, President of Windsor Development Group, Inc., the co-developer of both the Springfield and Jacksonville projects. "The Nehemiah Homes and Downtown Commons developments create a win-win situation for local residents, local employers, and the cities as a whole."

State funding for the Nehemiah Homes will help create 20 affordable single family rental homes for a community that saw their neighborhood torn up by last year's tornadoes.

"The tornadoes were surreal and left us without heat and electricity for more than eight days," said local resident Jackie Lawless. "Eastside is a very nice area that has not seen a whole lot of development in recent years which has led to its decline. The damage from the tornadoes didn't help and that's a shame because it's a great location." Lawless and his wife, Jeanette, are hoping to qualify for one of the Nehemiah Homes.

Families employed by the Illinois National Bank will also benefit from the new construction. The local bank has committed under the Employer-Assisted Housing program to provide a \$50 monthly rent subsidy for any of its new employees residing in Nehemiah Homes for two years. The program is designed to encourage employers to help their employees buy or rent homes close to work.

"In recent years, the Illinois National Bank has had extreme difficulty in attracting employees to work at our Remittance Center due to a lack of decent, affordable housing options in the area. That's why we support the Employer-Assisted Housing program and hope the bank's rent subsidy will give a further incentive to potential employees to work for us and move into the area," said Terry Schad, Senior Vice-President of the Illinois National Bank.

The Nehemiah Homes will consist of two, three, and four-bedroom homes. Monthly rents include utility costs and will range from \$437 for a two-bedroom home to \$853 for a four-bedroom home.

To qualify for the Nehemiah Homes, applicants must earn less than 60 percent of the area median income. For a family of four in Sangamon County, this means a household income of less than \$38,940. Applicants should contact the Springfield Housing Authority who will manage the property at 217-753-5757.

Meanwhile, the Governor also announced today that the state will contribute \$3.9 million in low-interest loans, grants, and tax credit equity to build Downtown Commons in Jacksonville. The funding includes a \$42,500 energy grant from DCEO. The development will create affordable single-family rental town homes for 22 low-income families. The building will occupy the block bordered by Main, Sandy, Dunlap, and Wolcott Streets.

Downtown Commons will include two and three-bedroom homes, with monthly rents ranging from \$373 to \$663 including utilities. To qualify, applicants must earn less than 60 percent of the area median income. For a family of four in Morgan County, this means a household income of less than \$33,300. Applicants should contact the Morgan County Housing Authority at 217-243-3338.

Local manufacturing company, ITR Inc. will also participate in the Employer-Assisted Housing program by providing a \$50 monthly rent subsidy for any of its new employees residing in the Downtown Commons for two years.

“The crucial state funding allocated by Gov. Blagojevich’s agencies to build Downtown Commons will help the City of Jacksonville achieve its 2002 Comprehensive Plan goals to make the city an even better place to live and work,” said Ron Tendick, Mayor of the City of Jacksonville. “As a lifelong resident of Jacksonville, I am also proud to see the city and local employers working with the state to meet the affordable housing needs of its residents.”

“Gov. Blagojevich and I are committed to bringing energy savings to homeowners in Illinois, and, through this assistance, we are helping establish key cost saving measures at these important housing developments in Springfield and Jacksonville. We will continue our efforts to help working families in the region and across the state lower their energy bills and implement effective green solutions,” said Jack Lavin, Director of the Illinois Department of Commerce and Economic Opportunity.

Since 2003, Illinois has helped more than 3,380 low- and moderate-income individuals and families across the state afford to buy or rent homes near their workplace through the Live Near Work/Employer Assisted Housing program with more than \$360 million in financing. IHDA has also assisted approximately 930 individuals and families in Sangamon and Morgan County to buy, rent, or rehabilitate their homes since 2003 with \$50.5 million in financing.

Illinois’ efforts to increase affordable housing options for its residents are guided by the Governor’s annual Comprehensive Housing Plans which provide a road map for how to leverage and expend housing dollars. Assisting low- and moderate-income persons unable to afford housing near work or transportation is one of the six groups targeted by the Housing Plans. The 2007 Housing Plan: *Affordable Housing Dimensions* identified \$763 million in spending earmarked for affordable housing at nine different state agencies that will help approximately 146,000 Illinois residents. This year’s Plan also highlighted how the Governor’s vision as outlined in the first two Plans is already reshaping affordable housing in Illinois.

The Comprehensive Housing Plans are developed by the Governor’s Housing Task Force, and organized and led by IHDA. The 35 members of the Task Force are advocates, developers, lenders, and state agency representatives, including eight Illinois state agency directors. Copies of Illinois’ Comprehensive Housing Plans are available at [www.ihda.org](http://www.ihda.org).