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News Release

Illinois Housing Development Authority allocates \$520,000 to help 50 low-income families and disabled individuals buy their first home in Peoria and neighboring counties

*Funding is part of IHDA's \$993,000 statewide allocation
under the American Dream Downpayment Initiative*

PEORIA – The Illinois Housing Development Authority (IHDA) announced today that it will allocate \$520,000 from the American Dream Downpayment Initiative (ADDI) to help at least 50 low-income families and individuals with disabilities buy their first homes in Peoria, Tazewell, Fulton and Woodford counties. The funds come from IHDA's latest round of ADDI grant allocations that total \$993,000 for the state. ADDI is a program under the HOME Investment Partnership run by the U.S. Department of Housing and Urban Development to help first-time homebuyers meet downpayment and closing costs.

“So far, the ADDI program has allowed IHDA to assist 40 low-income families across Illinois to buy their first homes since we started allocating funds under the program in October, 2005,” said Kelly King Dibble, executive director of IHDA. “Under Governor Rod R. Blagojevich's leadership, IHDA is proud to be able to help more Illinois families achieve their dream of owning a safe, affordable home and to gain from the social and financial benefits of homeownership.”

IHDA will award a \$310,000 grant to the City of Peoria to help 30 low-income families in Peoria only. Similarly, \$210,000 will be granted to the Peoria-based non-profit organization, the Central Illinois Center for Independent Living (CICIL) to help 20 individuals with disabilities and their families buy their first home in Peoria, Tazewell, Fulton and Woodford. The number of families to be helped in each county will depend on demand.

The funds will be administered as a forgivable loan, which means the money does not have to be repaid provided the homebuyer lives in the purchased home for at least five years. Each eligible homebuyer can receive up to \$14,999 to put towards their downpayment or closing costs.

To be eligible for an ADDI grant through the City of Peoria and CICIL, applicants must be a first-time homebuyer or have not owned a home within the past 3 years, agree to complete intensive pre and post purchase counseling, and earn less than 80% of the area median income for their county. For a family of four in Peoria, Tazewell and Woodford counties, the limit is set at \$49,900, while income levels for families of the same size in Fulton County should not exceed \$41,750.

In addition, the City of Peoria requires all its applicants be able to contribute at least \$1,000 of their own money towards the purchase. CICIL requires all its applicants to have a minimum of \$500 to put towards the downpayment and to have at least one member of the family be living with a disability such as a developmental or physical disability and mental illness.

For more information about the ADDI program and how to apply through the City of Peoria, contact Bridgette Heard, grants manager for the City of Peoria at 309-494-8673. For details on how to apply through CICIL, contact Michelle Sanders, program manager for CICIL at 309-682-3500.

“The ADDI funding from IHDA will help stabilize the neighborhood,” said Randy Oliver, Peoria City Manager. “It will allow us to maintain property for homeownership as opposed to converting them for rent, which we believe helps strengthen our community. We are very excited to be working with IHDA on this program.”

“IHDA and the funding we receive from the ADDI program allows us to help get the most vulnerable families into homeownership,” said Melody Reynolds, executive director of CICIL. “For these families, there is a tremendous sense of empowerment that comes with buying a home and we are delighted to be able to help them fulfill their homeownership dreams.”

IHDA will also consider CICIL’s upcoming application for an \$80,000 State Trust Fund grant which, if granted, will allow applicants earning less than 30 percent of the area median income to receive additional assistance.

Since 2003, IHDA has helped almost 2,850 low-income first-time homebuyers across Illinois meet their downpayment and closing costs with more than \$33.5 million in financing from the State Affordable Housing Trust Fund and various federal HOME funds that include the ADDI program. IHDA has also financed 160 first-time homebuyers with disabilities including physical, developmental or mental disabilities across the state to realize their homeownership dreams since 2003, with more than \$3 million in financing. A further 1,530 families and individuals with special needs have found safe and affordable rental homes funded by IHDA since 2003 including people with physical or developmental disabilities, HIV/AIDS victims and the homeless.

The Governor’s 2005 *Building for Success: Illinois Comprehensive Housing Plan* allowed 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. The 35 members of the Task Force include advocates, developers, lenders, and state agency representatives, including eight Illinois state agency directors. Under the Governor's direction, the Task Force recently developed "*On the Road to Success: Illinois Comprehensive Housing Plan 2006*" which continues to build on the coordinated success of the 2005 Comprehensive Housing Plan.

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 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.