



**ILLINOIS HOUSING
DEVELOPMENT AUTHORITY**
www.ihda.org

111 E. Wacker Drive
Suite 1000
Chicago IL 60601
312.836.5200

For Immediate Release
Wednesday, June 25, 2025

Contact: Andrew Field
afield@ihda.org

Illinois Housing Development Authority Board Voices Concern Over Proposed U.S. Housing and Urban Development Cuts

*President Trump's HUD budget proposes a historic 44% reduction, hurting
Illinois households and communities*

CHICAGO – Last Friday, the Illinois Housing Development Authority (IHDA) Board approved a [resolution](#) objecting to any decrease in funding for rental assistance in the U.S. Department of Housing and Urban Development (HUD) fiscal year (FY) 2026 budget that would also impact affordable housing development in Illinois and across the nation. The resolution affirms the critical importance of HUD-funded programs to Illinois residents, particularly low- and extremely low-income households, and highlights the devastating impact the proposed reductions would have on housing stability, community development, and the state's broader economy.

“Programs like rental assistance are a necessity. They are lifelines that improve health, employment, and educational outcomes for families, seniors, veterans, and people with special needs,” **said IHDA Board Chair King Harris**. “Illinois receives an estimated \$2.6 billion annually from HUD, dramatically cutting this funding would not only threaten the homes of our most vulnerable residents but also undermine decades of progress in affordable housing and equitable community investment. It would push countless families closer to eviction and homelessness while weakening the social and economic fabric of communities throughout Illinois.”

In Illinois, nearly 400,000 households receive rental housing assistance from HUD-funded programs such as the Housing Choice Voucher Program, Project-Based Rental Assistance, Section 202 Housing for the Elderly, and Section 811 Housing for Persons with Disabilities. In addition, dozens of Illinois municipalities receive and disburse more than \$500 million in Community Development Block Grants (CDBG) each year to fund critical repairs to water, sewers, drainage, and other infrastructure to enhance safety and quality of life for their community.

“These dramatic cuts, if passed, will destabilize communities and economies,” **warned IHDA Executive Director Kristin Faust**. “When families lose access to safe, affordable housing, the effects ripple outward: school districts face increased turnover, healthcare systems bear the weight of housing-related health crises, and local economies suffer from lost tax revenue. Furthermore, the loss of HUD subsidies will cause widespread economic turmoil for institutional investors in affordable housing, potentially triggering another housing crisis. Slashing HUD’s budget isn’t just fiscally short-sighted, it’s socially and economically destructive.”

HUD is a critical partner in Illinois and in 2024, its rental assistance programs:

- Assisted 1,721 people through its Section 811 Housing for Persons with Disabilities program,
- Assisted 5,415 people through its Section 202 Housing for the Elderly program,
- Assisted 221,210 people through its Housing Choice Voucher program,
- Assisted 66,110 people through its Public Housing Rental Assistance program, and
- Assisted 96,723 people through its Project-Based Rental Assistance program.

Through the passage of this resolution, IHDA reaffirms its commitment to its partnership with HUD in administering essential programs. IHDA urges Congress to reject the FY26 proposal and to fully fund these HUD programs that benefit not only the people of Illinois but families, seniors, and veterans across the nation.

###

About the Illinois Housing Development Authority

IHDA is a self-supporting and mission-driven state agency dedicated to financing the creation and preservation of affordable housing in Illinois. IHDA offers affordable mortgages and down payment assistance for homebuyers, provides financing for the development of affordable rental housing, and manages a variety of assistance programs to create communities where all Illinoisans can live, work, and thrive. Since it was established in 1967, IHDA has delivered more than \$27.8 billion in state, federal, and leveraged financing to make possible the purchase, development, or rehabilitation of more than 327,000 homes and apartments for low- and middle-income households. For more information on IHDA programs, visit www.ihda.org.