

Friday, May 13, 2005

The Honorable Rod R. Blagojevich
Office of the Governor
207 State House
Springfield, Illinois 62706

Dear Governor Blagojevich,

The Chicago Rehab Network (CRN) represents a coalition of community based non-profit housing developers and advocates who work to create an environment where affordable housing is a main priority.

On behalf of our members and the Illinois residents we serve, the Chicago Rehab Network urges you to sign HB603 – Illinois Affordable Housing Tax Credit Program and SB 75 – Rental Housing Support Program.

The Illinois Affordable Housing Tax Credit Program enacted in August 2001, is the tool and resource which innovatively creates public - private partnerships to leverage limited resources to finance the construction of new units and preserve existing stock. The program provides a \$.50 state income tax credit for each \$1 contributed to a non-profit sponsor of approved developments. Since its enactment the program has funded 80 developments creating 5,641 affordable housing units and leveraging \$112,063,250. Attached is a fact sheet with additional details. Enclosed please find the Chicago Rehab Network's Illinois Affordable Housing Tax Credit Program summary sheet, as well as a list of the eighty developments that the program has assisted thus far.

SB75 – Rental Housing Support Program will create a state-funded rental assistance program for Illinois families at or below 30% of area median income, roughly \$19,000 for a family of four. This program, funded through a \$10 state surcharge on real estate documents, will provide grants to local agencies throughout the state to create local rental assistance programs -enabling property owners/landlords, who are struggling with escalating property operating expenses and high vacancy rates, to offer these units to the working poor and fixed income residents. We know that 5,500 families statewide would benefit as well as a significant amount of owners.

According to 2000 Census data as compiled in the 2003 Affordable Housing Fact Book, statewide, more than 420,000 families pay more than 35 percent of their income for rent, including 258,000 who are paying more than 50 percent. That's 28 percent of all renter households. Almost 370,000 owner occupants are paying more than 35 percent of their income for housing. Another measure of

affordability is the number of overcrowded households, including families that have doubled up to save on rent. Statewide, 222,000 households are living in overcrowded housing units. By signing HB603 into law, the Governor secures his commitment to affordable housing as demonstrated in Executive Order 2003-18.

Nationally, many states are struggling with the challenge of the ever growing housing crisis. We have an opportunity in Illinois, with your leadership, to exemplify action-oriented leadership and resolutions. We urge you to use your leadership and take bold steps to enact these key legislative items into law.

If you should have any question or further need to research information, please contact us

Sincerely,

Kevin F. Jackson
Executive Director

Cc: Transition Advisory Council
Governor's Housing Task Force
Senate President Emil Jones
Senate Minority Leader Frank Watson
Speaker of the House Madigan
House Minority Leader Tom Cross