Housing Tax Credits

GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

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What is the housing tax credit?

- Enacted by Tax Reform Act of 1986 to increase supply of affordable workforce housing
- 25+ years of successful performance
- Marked by private sector participation and state administration
- GA authorized matching housing credit in 2001
How it works:

- Each state receives certain amount of HTC’s based on population
- Developers compete to win award of credits
- Credits sold to private investors to provide equity to build housing
- Rents must be affordable (typically 60% AMI) for at least 30 years
In a typical funding round...

- Projects serving over 30 communities in GA receive funding
- Over 2,300 homes financed
- Nearly 50% located in rural areas
- 25% of resources for preservation
Housing Credit Impact

Addresses critical need for safe, decent housing for:

• Seniors in an independent living environment
• Georgia families with low and moderate incomes

Residents at Lone Mountain Village, Ringgold GA
Impact, con’t

For every 100 tax credit units built:

• 122 local jobs are created in 1st year

• $7.9 million generated in local income

• $827,000 in local gov’t revenue generated

Construction jobs created at Waterford Estates, Dublin, GA
Bartlett Crossing, Macon
Bartlett Crossing (after)
Waynesborough Academy
Ware Hotel, Waycross
Savannah Gardens before
Savannah Gardens after
Hearthside Towne Lake, Woodstock

The Norsouth Corporation

Heritage at Madison Pointe
GICH Advantages in QAP

DCA Community Initiatives (1 point)
• GICH Community support for an Application within its jurisdiction gives competitive advantage
• Must issue letter for only one Application (see 2013 QAP, p. 15-16 of Scoring)

Community-Driven Housing Strategies (3 points)
• One Application that is clearly driven by Local Gov’t will be selected to receive 3 points
• GICH status satisfies one criterion (see p. 19 for all criteria)
• Local Gov’t representatives must meet with DCA prior to Application submission (must be scheduled by April 1, 2013)
Wrap Up

• To receive information on trainings, workshops, and general program updates, sign up on our email list at:
  http://www.dca.ga.gov/housing/HousingDevelopment/programs/OAH.asp

• Contact Joe Collums at joe.collums@dca.ga.gov with questions
Thank You!