Housing Tax Credits and GICH
Overview

- What is the Housing Tax Credit (LIHTC)?
- Why would we want it in our community?
- How does it work?
- How can it work for us?
- What about this GICCH letter?
- Fair Housing Tool
What is the Housing Tax Credit?
What is the Housing Tax Credit?

- Largest producer of affordable housing in the country
- Highly accountable: private sector participation and state administration
- Georgia authorized matching state housing credit in 2001
Why Would We Want This?
Housing Credit Impact

Addresses critical need for safe, decent housing for:

- Seniors seeking independent living
- Georgia working families with low and moderate incomes
- Individuals with disabilities

Residents at Lone Mountain Village, Ringgold GA
Bartlett Crossing, Macon
Bartlett Crossing (after)
Economic Impact for every 100 tax credit units built:

- 161 local jobs are created in 1st year
- $11.7 million generated in local income
- $2.2 million generated in local gov’t revenue

Construction jobs created at Waterford Estates, Dublin, GA
Ware Hotel, Waycross
What About…

- Property Values?
  - Several studies have shown that affordable housing generally has no adverse effects and may even have positive impacts
  - Design, Management, Location, and Dispersion

- Traffic?
  - Affordable housing helps reduce the number of cars on the road by allowing working people to live near jobs
  - Studies show that affordable housing residents own fewer cars and drive less than residents of market-rate homes

http://www.housingpolicy.org/assets/TalkingPoints/TP_AffordHsgEffects.pdf
http://www.affirmedhousing.com/resources/myths.html
How Does the Housing Credit Work?
How Competitive LIHTC Works:

- The IRS allocates ~$2.35/resident to each state.
- State Housing Finance Agency sets the rules (QAP).
- Developers compete to win award of credits.
- Private investors contribute equity to build housing and receive benefits of the tax credits.
- Housing is built and rents must be affordable (typically 60% AMI) for at least 30 years.
- Once housing is inhabited, then tax benefits begin.
Snapshot: 2015 Funding Round

- 35 (of 75) properties funded
- Around 40% in rural areas
- 11% went to preservation
- Around 2,500 homes financed
- 12 new and rehabilitated senior properties funded
How Can the Credit Work for Us?
GICH Advantages in QAP

DCA Community Initiatives

- GICH Community support for an Application within its jurisdiction gives competitive advantage

- Must issue letter for only one Application, signed by Primary or Secondary Point of Contact (See 2016 QAP, p. 19 of Scoring)

- Additional Local Government letter in support of decision
Other Opportunities to Score

- Leveraging with local HOME, CDBG, or other funds
- Proximity to regular or on-call bus route
- Brownfield remediation and development
- Historic preservation
2017 QAP Development

- QAP policy is an annual, iterative process
- Draft should be available in early October with a 30-day comment period
- What to expect:
  - Focus on health and education
  - Transformational communities
  - Opening of markets
  - Fair Housing/Limited English Proficiency
Public Hearing Schedule

- October 18th (9 AM)  Atlanta, GA (Cobb Galleria)
- October 18th (1 PM)   Webinar
- October 19th (1 PM)   Waycross, GA (City Hall)
- October 20th (10 AM)  Albany, GA (Micro Business Enterprise Center)

*2017 Applications likely due in late May*
What About this GICH Letter?
Team Contact and Leader Update Form

- GICH letter must be signed by the Primary or Secondary Contact on file with the UGA Housing and Demographic Research Center

- These roles can be officially re-designated
  - Complete form from UGA or DCA website
  - Primary Contact should be an active member
  - Local Government: Controlling elected body
Contacts

- TEAM MEMBERS - Database of GICH team members, past and present - Updated yearly in January
- TEAM LEADER (PRIMARY AND SECONDARY) CONTACT INFORMATION - Effective April 15, 2015
- Team Leader contact update form - use this form to officially change team leader contacts
- LISTSERV ANNOUNCEMENTS - To sign up for the GICH listserv email Karen Tinsley at klt@uga.edu

Updated Position Designations

Primary Contact: __________________________ Email: __________________________ Phone: __________________________

Secondary Contact: __________________________ Email: __________________________ Phone: __________________________

Team Leader (must also be Primary or Secondary Contact): __________________________

Number of times your GICH team met in the last full calendar year: __________________________

Certification

Current GICH Team Leader or Official Representative

Signature: __________________________ Date: ________________

Printed Name: __________________________

OR

Executed confirmation of change letter from the Local Government (attach letter to this document)
Fair Housing: A New Direction
Affirmative Furthering Fair Housing

Housing as a platform for understanding & transforming communities
AFH: Community-driven assessment

Identify Fair Housing Issues

- HUD-provided data and maps
- Local data and knowledge
- Segregation/Integration
- Racially/Ethnically Concentrated Areas of Poverty
- Disparities in Access to Opportunity
- Disproportionate Housing Needs
- Disability and Access Analysis

Identify and Prioritize Contributing Factors

Set Fair Housing Goals

Local data and knowledge

Locally owned goals

Community engagement

9 – 18 month process
Engage community as local experts

- Organizational Stakeholders
  - PHAs, Community-based organizations, Fair housing organizations, and others

- Citizen Engagement
  - Diverse demographic groups with focus on those facing barriers
Address challenges collectively

- Data collection and analysis
  - Rapidly changing demographics
  - Local data and knowledge
  - Extensive required analysis
- Significant outreach and engagement effort
- Skill set of staff (Internal vs Consultant)
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 Philip Gilman or Robert Fink at philip.gilman@dca.ga.gov or robert.fink@dca.ga.gov with questions