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PHFA receives 111 applications for 2016 tax credits

On March 4, PHFA received 111 applications for the funding of the new construction, substantial rehabilitation and preservation of affordable housing developments throughout the Commonwealth using the federal low-income housing tax credits (LIHTCs). The combined request for these resources exceeded \$123.6 million. Each year, PHFA receives approximately \$29 million in LIHTC funding to be allocated to eligible projects, so competition will be intense for these limited resources. The agency will evaluate the proposals following specific selection criteria set forth in the 2016 Qualified Allocation Plan. The criteria include: affordability of units at lower income and rents; inclusion of energy efficiency and sustainability features; leveraging of resources; provision of supportive services; ability to proceed; outreach to minority-, women-, and veteran-owned businesses; and cost containment.

In connection with the award of LIHTCs, a number of these developments also may be eligible to receive funding through the agency's PennHOMES program. Twenty-one of the 111 applications also requested these funds in the collective amount of \$20.2 million. PennHOMES funds are made available through the state Department of Community and Economic Development. The source of these funds is the federal HOME Investment Partnerships Program.

PHFA plans to announce the funding awards in July 2016.

Governor declares April 'Financial Education Month'

Governor Wolf has proclaimed April as "Financial Education Month" in Pennsylvania, Secretary of Banking and Securities Robin L. Wiessmann

announced. The governor is looking to raise awareness of the importance of financial literacy in helping Pennsylvanians of all ages plan for financial independence and self-sufficiency.

There are many Pennsylvania initiatives with programs to promote financial education and literacy including: the PA Department of Banking and Securities, PHFA, the PA Department of Education, the PA Higher Education Assistance Agency, the PA Jump\$tart Coalition for Personal Financial Literacy and many banks and credit unions.

For more information about programs offered, please visit the organizations' websites.



Governor announces \$7 million in new markets tax credit funding

Governor Tom Wolf announced in January that the Commonwealth Cornerstone Group (CCG) has completed a \$7 million new markets tax credit (NMTC) deal to help fund renovation of the historic Keppel Building in Lancaster. The Keppel Building once housed the Keppel Candy Company. CCG's goal is to use these new markets tax credits to fund projects in key areas in communities that have historic or cultural value. The tax credits will also be used to offer opportunities to spur economic revitalization by providing loans and equity investments for business expansion, mixed-use development, and community facilities across the state.

The project will renovate the two connected, four-story buildings into a mixed-use retail, commercial and residential space. The first floor commercial space will be upgraded and expanded to include a coffee shop, venue space and office space. The top three floors will be converted into 38 apartments. Twenty percent of the apartments will be designated affordable.

The NMTC program was established by Congress in 2000 to spur new or increased investments in operating businesses and real estate projects in low-income communities. The NMTC program attracts investment capital to these communities by permitting individual and corporate investors to receive a tax credit against their federal income tax return in exchange for making equity investments in specialized financial institutions called community development entities, such as CCG. The program is administered by the U.S. Department of the Treasury.

PHFA Around the State



The People's Emergency Center held a groundbreaking ceremony in early February at 4050 Haverford Avenue in Philadelphia celebrating with hot chocolate and roasted marshmallows. 4050 Apartments will replace a vacant lot and provide affordable housing specifically designed for low-income artists. The development will house 20 units consisting of one-, two-, and three-bedroom layouts. A community room on the ground floor will be open to residents and offer arts and educational programming for the public. On hand to help celebrate were representatives from PZS Architects (from left to right) Chris Ibrahim, Melissa Dea, Jose Garcia and Michael Skolnick. The project is being made possible, in part, by Low-Income Housing Tax Credits administered by PHFA.

Project HOME celebrated a groundbreaking ceremony in early March at 2415 North Broad Street in Philadelphia. Among other supporters in attendance were Project HOME's Sister Mary Scullion (third from left) and PHFA's Executive Director and CEO Brian Hudson (seventh from left). The property will consist of one building housing 88 units of affordable housing and will contain retail space on the ground level. The development received Low-Income Housing Tax Credits from PHFA.



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The United Neighborhood Community Development Corporation hosted its grand opening of the newly renovated Old School on Luzerne in late January in West Pittston. The development formerly housed the West Pittston High School and now houses 22 affordable apartments for seniors. On-site intensive services will allow residents to live independently longer. Along with case management, preventative health, direct medical service, nutrition and referral to specialists, the community includes an exam room, emergency call systems in each apartment and a teaching kitchen to help ensure the health and safety of residents. Old School on Luzerne is being made possible, in part, by Low-Income Housing Tax Credits administered by PHFA. Photos courtesy of United Neighborhood Center.

Project developers Housing Visions and Genesis Housing Corporation held a groundbreaking ceremony in March at the vacant Fecera's Furniture warehouse at 341 Beech Street in Pottstown. Officials joined the celebration, including Brian Hudson, PHFA executive director and CEO (second from left). The Beech Street Factory will combine affordable apartments with a community arts center. The apartments will be marketed to people with developmental or mental health challenges and other qualified tenants. There will be a full-time property manager on-site. The development received Low-Income Housing Tax Credits administered by PHFA. The hope is the Beech Street Factory will serve as a neighborhood anchor for the arts increasing economic activity in the community. Photo courtesy of McDonald Building Company.



Housing Development Corporation MidAtlantic celebrated its groundbreaking ceremony for Heritage Point Apartments located in Wilkes-Barre in late March. PHFA's Holly Glauser (fourth from right) attended, along with other officials. Heritage Point will contain 56 units of general occupancy rental housing. It will also be constructed according to rigorous energy efficiency standards making it Passive House Certified. This certification will greatly reduce the development's ecological footprint. The community will offer one-, two-, and three-bedroom townhomes and apartments. All ground floor units will be 100 percent visitable with at least 10 percent of units meeting current ADA accessible guidelines. The development is funded, in part, with PHFA Low-Income Housing Tax Credits.

Multifamily Housing

PHFA welcomes the first participant in the Section 811 Project Rental Assistance program

PHFA and the state Department of Human Services recognize Pennrose Management Company as its first partner in the Section 811 Project Rental Assistance program. The Section 811 program uses funding from the federal Department of Housing and Urban Development to cover rental assistance payments for approximately 400 units of new or existing affordable rental housing in Pennsylvania for people with disabilities. This funding will help prevent individuals with disabilities from being unnecessarily institutionalized or falling into homelessness. Pennrose Management Company's participation shows dedication and commitment to helping extremely low-income people with disabilities live independently.

To learn more about this program and how your property can participate, please visit [PHFA's website](#) or contact Kristen Nagel at 717-780-3816 or knagel@phfa.org.

Homeownership

PHFA honors its top lending partners

The Pennsylvania Housing Finance Agency recently honored its top lending partners for 2015 during its annual homeownership awards event at its headquarters. These lending partners play a key role in assisting homebuyers throughout the state in the application, processing, and closing of affordable PHFA home loans.

Out of approximately 81 lending partners, the Top-10 were presented awards during the event and were recognized for home loans funded by PHFA in 2015. The honored partners are, in ranking order: Mortgage America, Howard Hanna Financial Services Inc., Residential Mortgage Services Inc., Mortgage Network Inc. dba MNET Mortgage Corp., West Penn Financial Service Center Inc., Jersey Shore State Bank, Meridian Bank, Liberty Mortgage Corporation, Huntingdon Valley Bank, and Boulevard Mortgage Company of PA. This is the third year in a row that Mortgage America has received the top honor.

There were other honorees in special categories also presented with awards. For the full list of awards, please visit [PHFA's website](#).

PHFA homeownership training in high demand

For the last six months, the Homeownership Division has ramped up training opportunities for lending partners and realtors to inform them about the affordable mortgage options offered by PHFA. Onsite trainings, webinars and lunch-and-learns have educated about 1,350 housing professionals. These sessions provide details about PHFA's first mortgage products and down payment and closing cost assistance programs with a special focus on the Mortgage Credit Certificate (MCC) program. The MCC allows homebuyers to claim an annual tax credit of up to 50 percent of the mortgage interest paid per year for the life of the loan, capped at \$2,000 annually. The volume of the homeownership programs has increased substantially due to the successful educational outreach.

If you would like to learn more about PHFA mortgage programs, attend a [free webinar](#) or contact PHFA's Business Development Department at 717-780-3871 to arrange an informational session.

PENNVEST and PHFA improve Homeowner Septic Program

The Pennsylvania Infrastructure Investment Authority (PENNVEST) board has approved a change to the Homeowner Septic Program, expanding the eligibility criteria. PHFA has introduced a few changes to the program in the last year, as well. These changes will make the program more beneficial for homeowners facing

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Mortgage America earns top lender spot for the third year in a row.

high costs associated with on-lot septic system repairs or first-time sewer connections. They also make the program easier to administer for the participating lenders who handle loan application and closing.

Some of the changes include: expanded eligibility criteria, a more streamlined application process, loan amounts up to \$25,000 for all homes (including manufactured homes, which previously were capped at \$17,500), and the program now covers first-time connection to a public sewer. The PENNVEST loan continues to pay for the repair and replacement of on-lot septic systems, has a low interest rate, and has no prepayment penalties if the loan is paid off early. Replacing an on-lot septic system can increase the value and marketability of a seller's home, eliminate worries about septic system problems, and can also improve the environmental health of one's property.

For more information or to start the PENNVEST application process, contact a [participating lender](#) or PHFA at 1-855-U-Are-Home (827-3466); press "0" to be connected with the Customer Solutions Center. Organizations interested in becoming a participating lender should call 717-780-3871 or email septic@phfa.org. Information is also available on the [PHFA website](#).

Upcoming Events

Newly enhanced PHFA Multifamily Affordable Housing Conference slated for June

Mark your calendar for the agency's Multifamily Affordable Housing Conference (formerly known as the Housing Services Conference) to be held June 22-24 at the Valley Forge Casino Resort in King of Prussia. The theme for this year's conference is "Forging Ahead." The conference brings together multifamily management staff and housing services professionals from across the state for continuing education opportunities.



There are still vendor spaces available. Any company that would like to market its products and services to more than 400 multifamily housing professionals is invited to contact PHFA for details available from Melissa Reifsnnyder at mreifsnnyder@phfa.org or 717-780-4353.

Certificate programs offered at conference

PHFA is pleased to offer two certificate programs during the Multifamily Affordable Housing Conference. The Certificate in Elder Service Coordination (CESC) and the Certificate in Family Service Coordination (CFSC) offer 20 hours of training in 13 core areas. Both programs are easy to work into your schedule. To complete the program, participants must attend the 2016 PHFA Multifamily Affordable Housing Conference and participate in monthly web trainings. For more information about the CESC program, please contact Alicia Spencer at aspencer@phfa.org, and for more information about the CFSC program, please contact Robert Butcher at rbutcher@phfa.org.

Social Media

PHFA is on social media keeping you up-to-date on Pennsylvania housing news

If you're not following PHFA on social media, you may be missing out on important information you can use in your professional and personal life. We currently have more than 2,125 likes on Facebook and more than 910 followers on Twitter. Be sure to click on the icons below to like us on Facebook, follow us on Twitter, view PHFA videos on YouTube, and stay up-to-date on the latest PHFA and industry news.



Tom Wolf, Governor • Brian A. Hudson Sr., Executive Director & CEO

To receive an e-mail notice when a new issue of PHFA Developments is posted, or for comments and questions, please write Renae Hodges at rhodges@phfa.org

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