

Pennsylvania Housing Finance Agency

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**Commonwealth Cornerstone Group
receives \$33 million of New Markets Tax Credits**

Economically distressed communities statewide to benefit from investments

HARRISBURG –Commonwealth Cornerstone Group, a nonprofit community development entity created by the Pennsylvania Housing Finance Agency, announced today that it has secured \$33 million in New Markets Tax Credit (NMTC) allocations. The tax credits are provided by the U.S. Treasury Department's Community Development Financial Institutions Fund. This marks the first time CCG has received New Markets Tax Credits in consecutive years.

CCG is one of 87 community development entities (CDEs) nationwide receiving an allocation of the total \$3.501 billion in New Markets Tax Credits announced by the Treasury Department yesterday. Reflecting the tremendous competition for NMTCs, 310 CDEs had applied for tax credits; only 28 percent of the applicants received funding.

With this newest allocation, CCG has now received five NMTC awards totaling \$226 million, which it has used to fund 20 developments in the state. These NMTCs have attracted a total investment of \$642 million in these developments. They also have stimulated the creation of 4,400 construction jobs and 3,500 permanent jobs.

“Building vibrant and sustainable communities requires a collaborative effort of the public and private sectors investing in projects that facilitate redevelopment,” said Governor Corbett. “New Markets Tax Credits encourage private involvement. The powerful economic ripple effect we’re creating through engaging the private sector in community development is having a positive impact in our state.”

The goal of CCG is to use these tax credits to fund projects in key areas within communities that have historic or cultural value and offer opportunities to spark economic revitalization. CCG will utilize these newest NMTC’s to provide loans and equity investments for business expansion, mixed-use development, and community facilities across Pennsylvania.

“New Markets Tax Credits allow us to leverage additional private investment in projects that can help turn around struggling communities,” said Brian A. Hudson Sr., chairman of CCG and executive director and CEO of PHFA. “These tax credits have proven to be a powerful tool for promoting economic development.”

Examples of past developments that have benefited from CCG's investment of these tax credits include Bakery Square in Pittsburgh, the Coal Street Community Facility in Wilkes-Barre, and Schmucker Hall in Gettysburg, among others. More information about CCG and the developments it has funded is available [on the Web](#).

The NMTC program, established by Congress in December 2000, permits individual and corporate taxpayers to receive a credit against federal income taxes for making equity investments in vehicles known as community development entities. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year period. For every dollar invested by the federal government, the NMTC program generates more than eight dollars in private investment.

For more information about the U.S. Treasury Department's Community Development Financial Institutions Fund, please visit: www.cdfifund.gov.

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