

Pennsylvania Housing Finance Agency
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Commonwealth Cornerstone Group Announces \$8 Million in Tax Credits to Expand and Consolidate Healthcare Services in Sharon

HARRISBURG – Commonwealth Cornerstone Group (CCG) today announced the completion of an \$8 million New Markets Tax Credits transaction on Tuesday to help fund the expansion and consolidation of healthcare services provided by Primary Health Network (PHN) in Sharon.

PHN is the largest federally qualified health center operating in Pennsylvania. It is the largest employer in Sharon's central business district, with more than 150 people on staff.

Currently, PHN Sharon offers scattered services out of seven buildings. This construction and rehabilitation project in downtown Sharon will produce 78,000 square feet of space allowing the health center to better serve a larger number of patients.

"The consolidated headquarters and healthcare facility for Primary Health Network will not only directly benefit its patients but will positively impact the entire region by adding jobs and promoting economic development," said Brian A. Hudson Sr., CCG chairman and executive director of the Pennsylvania Housing Finance Agency. CCG was created in 2004 by PHFA to serve as a nonprofit community development entity for the administration of New Markets Tax Credits.

"This project will allow Primary Health Network to more than double the number of patient appointments they handle, expanding their healthcare outreach."

The project will produce a number of important benefits for local residents. For instance, the new building will include an urgent care center with extended hours on the first floor as part of the primary care space. Obstetrics and gynecological services will be expanded with the hiring of an additional doctor. Plus behavioral health services will be enhanced with the addition of two psychiatrists and four licensed clinical social workers. The pharmacy also will be able to service more patient prescriptions.

A cooperative agreement with one of the regional hospitals in the area will allow for complimentary medical services to be provided in the building, further enhancing the healthcare services available.

This project is expected to create 103 temporary jobs during the construction period and 179 permanent jobs once completed. The construction and operation of the facility is expected to support 69 additional indirect jobs. It will have an economic impact in the

region of more than \$52 million. Total costs for this project will be in excess of \$18 million.

In addition to the \$8 million of New Markets Tax Credits allocated by CCG, The Reinvestment Fund has awarded \$10 million of New Markets Tax Credits to this project.

About the New Markets Tax Credit Program

The New Markets Tax Credit Program was established by Congress in 2000 to spur new or increased investments into operating businesses and real estate projects located in low-income communities. The NMTC Program attracts investment capital to low-income 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 Commonwealth Cornerstone Group. The program is administered by the U.S. Department of the Treasury.

About PHFA

The Pennsylvania Housing Finance Agency works to provide affordable homeownership and rental housing options for older adults, low- and moderate-income families, and people with special housing needs. Through its carefully managed mortgage programs and investments in multifamily housing developments, PHFA also promotes economic development across the state. Since its creation by the legislature in 1972, it has generated nearly \$11.8 billion of funding for more than 157,300 single-family home mortgage loans, helped fund the construction of 122,590 rental units, and saved the homes of more than 47,900 families from foreclosure. PHFA programs and operations are funded primarily by the sale of securities and from fees paid by program users, not by public tax dollars. The agency is governed by a 14-member board.

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