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For Immediate Release

PHFA accepting bids for purchase of Community Revitalization Fund Tax Credits

Winning tax credit bids will be used to fund mixed-use developments; deadline for bids is May 22

HARRISBURG, PA – The Pennsylvania Housing Finance Agency announced today that it is accepting bids for the purchase of \$2 million in tax credits associated with the new Community Revitalization Fund Tax Credit. The money collected from the highest bidders will be used to fund the construction or rehabilitation of mixed-use developments in Pennsylvania communities. The deadline for bids is 2 p.m. on May 22.

These tax credits will be used by the winning bidders – which can be companies, organizations or individuals – to reduce their state income tax liability. The intent of the bidding process is to raise as much funding as possible from the \$2 million in tax credits being made available to provide for a significant investment in community revitalization projects in various communities. The projects to receive this funding will be selected during a competitive Request for Proposals process later this year.

This new tax credit program was created as part of the Commonwealth's fiscal year 2016 budget (to be implemented July 1, 2017), and PHFA was directed to administer the credit. PHFA was authorized to sell these tax credits through directed or negotiated sale to any qualified taxpayer. It is expected that the tax credit awards will be made within 90 days after bidding closes. The credit awards will be made in 2017, but they are not effective for utilization until 2018 against a 2017 tax liability.

"Tax credits represent a powerful way for the public and private sectors to work together to accomplish something that neither could likely accomplish on its own," said PHFA Executive Director and CEO Brian A. Hudson Sr. "We will be investing these tax credit dollars in mixed-use developments in Pennsylvania communities that need a spark to stimulate their revitalization."

More information about the Community Revitalization Fund Tax Credit and the current bidding process is available on the PHFA website at: www.phfa.org/mhp/developers/loans.aspx. Program guidelines, bidding criteria, and a draft RFP are already posted on this web page. Interested organizations can learn more by contacting Bryce Maretzki at PHFA at (717) 780-1867 or by email at bmaretzki@phfa.org.

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 more than \$13.1 billion of funding for nearly 167,400 single-family home mortgage loans, helped fund the construction of 132,531 rental units, and saved the homes of more than 48,800 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.

Contact:

Scott Elliott
717-649-6522 (cell)
sellott@PHFA.org

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