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For Immediate Release

New state budget increases allocation to PHFA Mixed-Use Development Tax Credit Program from \$3 million to \$4.5 million

Tax credit bid deadline is extended to July 23

HARRISBURG – The Pennsylvania Housing Finance Agency is pleased to announce that the newly signed state budget increases the allocation of tax credits for its Mixed-Use Development Tax Credit Program by \$1.5 million to now total \$4.5 million. The agency is grateful to the state legislature and the governor for this additional funding that will now support even more redevelopment across Pennsylvania.

Bidding on these tax credits is already in progress, and PHFA wants to ensure that all interested bidders are aware of this important change of additional available tax credits. In light of this new development, the deadline for bids is being extended until 2 p.m. on Friday, July 23.

“We appreciate this additional funding from the General Assembly and the governor, which demonstrates their support for the revitalization of communities across the commonwealth through mixed-use developments that include affordable housing and commercial space,” said PHFA Executive Director and CEO Robin Wiessmann. “These mixed-use projects bring a double benefit because they not only provide more critically needed housing, but the commercial part of these developments brings economic revitalization, too.”

These tax credits will be used by the winning bidders – which can be companies, organizations or individuals – to reduce their state tax liability. The intent of the bidding process is to raise as much funding as possible from the \$4.5 million in tax credits being made available to provide for significant community revitalization investments in mixed-use developments in various communities. The projects to receive this funding will be selected during a competitive Request for Proposals process later this year.

This state tax credit program was created as part of the commonwealth’s fiscal year 2016/2017 budget (implemented July 1, 2017), and PHFA was directed to administer the credits. 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 2021, but they are not effective for utilization until 2022 against a 2021 tax liability.

More information about the mixed-use development tax credit and the current bidding process is available on the [PHFA website](#) (scroll down). Program guidelines and bid criteria are posted there. Annual reports identifying projects awarded these tax credits in prior years are also available on that webpage. 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 \$15.2 billion of funding for more than 182,570 single-

family home mortgage loans, helped fund the construction of 138,000 rental units, distributed approximately 191 million to support local housing initiatives, and saved the homes of nearly 50,400 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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