

Tax Credit Assistance Program/ Tax Credit Exchange Program

Making Affordable Housing Developments Work

Why?

The Great Recession hit the housing sector hard. Foreclosure rates soared. Home values plummeted. Financing for affordable housing developments dried up.

The need for affordable housing, however, only increased. This is where the Tax Credit Assistance and Tax Credit Exchange Programs came in. These programs provided funds that temporarily replaced or enhanced federal tax credit incentives that were used to provide financing for multifamily affordable housing projects.



Sustainable Fellwood

Results – 4,695 Homes and 6,037 Jobs

In the end, 54 developments that would not have been started otherwise were completed and 6,037 jobs were created. These developments will provide 4,695 places where families and seniors earning 60% or less of the area median income can afford to live and call home. (As an example of area median income, the area median income for Berrien County is \$44,300; the area median income for Fulton County is \$69,300.) In addition, these developments will be monitored for 15 years to ensure that they continue to provide safe and affordable housing to Georgia's citizens.

DCA has been recognized by the Department of Housing and Urban Development (HUD) for excellence in administering Tax Credit Assistance Program (TCAP) funds. HUD re-directed over \$2 million in additional TCAP funds to Georgia based on the state's efficiency in administering resources.

The Program in Action – Success Story

Sustainable Fellwood, located just west of Savannah's Historic District, is a 3-phase vision to transform the city's first public housing project into a vibrant mixed-income community achieving the highest standards for environmental stewardship. Phase I, which was financed just before the economic recession gained steam, safely delivered 110 housing units and became the first affordable housing community in Georgia certified by LEED for sustainable Neighborhood Development. Phase II and Phase III, however, ran headlong into the gathering storm known now as the Great Recession. As the housing and credit crises deepened, the market for tax credits sputtered, leaving sizeable financing gaps for the two projects.

Fortunately for Savannah, help did come in the form of the Tax Credit Assistance Program (TCAP) and Exchange Program. Sustainable Fellwood II received a low-interest TCAP loan in excess of \$4 million to ensure that 110 families would benefit from a quality home in a mixed-use community. Phase III, which will provide housing and amenities for 100 seniors, received a blend of TCAP and Exchange funds in excess of \$2 million. Both Sustainable Fellwood II and III have now been completed, realizing a hard-earned vision to help improve the quality of life for low-income families and their community.

