

Impact of Tax Reform on Affordable Housing & Community Development — 9th District



This tax cut proposal would have devastating impacts on the creation and preservation of affordable housing in Massachusetts. At a time when the Commonwealth already faces a shortage of over 160,000 affordable rental homes for extremely low-income households, the tax proposal would eliminate or significantly weaken tax credits that have helped create thousands of affordable homes.

CHAPA Calls on Congress to:

- **Preserve** the tax exemption of Private Activity Bonds to support affordable housing and to avoid the elimination of the **4% Low-Income Housing Tax Credit**
- **Strengthen** the Low-Income Housing Tax Credit program and offset the impact of a lower corporate rate on the value of the tax credit
- **Restore** the Historic Tax Credit and the New Markets Tax Credit
- **Reinvest** housing dollars from mortgage interest deduction reform into affordable housing programs

LOW-INCOME HOUSING TAX CREDIT BENEFITS FOR 9TH DISTRICT



\$281 million in equity raised for affordable housing in the past decade, including **\$53 million** through the 4% credit



5,572 homes built or preserved since 1986

Source: MA Dep't of Housing & Community Development & Mass. Housing Partnership



Example of Low-Income Housing Tax Credit in 9th District: Cromwell Court — Barnstable, MA

Cromwell Court is a 124-unit affordable garden apartment complex in Hyannis. The property is near Main Street with easy access to commercial areas, shopping, employment centers and transportation and includes two playgrounds, a basketball court and a community building with community room and management offices.

FOR MORE INFORMATION:

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Citizens' Housing and Planning Association, Inc.





NEW MARKETS TAX CREDIT IN MASSACHUSETTS

(Since 2003)



Over 241 businesses and economic revitalization projects supported by the tax credits



\$1.8 billion allocated, leveraging **\$884.2 million** from other sources

Source: New Markets Tax Credit Coalition

Example of New Markets Tax Credit in 9th District: Union Street Lofts — New Bedford, MA

Union Street Lofts was among the first New Markets Tax Credit projects in the country to get under way. In downtown New Bedford, six distressed historic buildings (Coffin Lofts and Lawton's Corner) were transformed into retail/office and commercial space and mixed-income housing.

The New Markets Tax Credit is a vital resource for community revitalization efforts in distressed areas. Projects supported by this tax credit include community health centers, Boys & Girls Clubs, library and community centers, and grocery stores. Housing and community development investments work together in revitalizing neighborhoods. Neither investment can do it alone.

HISTORIC TAX CREDIT IN MASSACHUSETTS

(In FY2016)



40 historic rehabilitation projects completed



\$306 million in total investments into completed historic rehabilitation projects

Source: National Park Service



Example of Historic Tax Credit in 9th District: Lawton's Corner—New Bedford, MA

The Historic Tax Credit also supported the Lawton's Corner project that would become Union Street Lofts. The Lawton's Corner building, located on the corner of Union Street and Purchase Street was awarded the Paul E. Tsongas Award for Historic Preservation from Preservation Mass. It has been a landmark of downtown New Bedford throughout the city's history and went through many changes along with the city.

The Historic Tax Credit attracts developers to invest in once vacant, deteriorated, and underutilized structures, such as old mills, schools, and hospitals, and transforms them into much needed housing and commercial space. Hundreds of historic and iconic buildings in Massachusetts have been returned to use, creating homes, having direct and indirect economic benefits, and resulting in tens of millions in new local tax revenues.



Citizens' Housing and Planning Association's mission is to encourage the production and preservation of housing that is affordable to low and moderate income families and individuals and to foster diverse and sustainable communities through planning and community development — www.chapa.org