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\$55 million for New Markets projects granted to NYC-based nonprofit

A national nonprofit Community Development Financial Institution and member of the Federal Home Loan Bank of New York has received an allocation of New Markets Tax Credit, which aims to spur investment and economic growth in distressed communities by attracting private capital.



Institute for Community Living Integrated Health Hub in Brooklyn, NYC
New Markets Tax Credit program money has previously funded projects in the New York City region.

The Corporation for Supportive Housing (CSH), which is headquartered in New York City, has received a total of \$55 million in New Markets Tax Credits today for projects that could potentially benefit New York metropolitan area as well as the rest of the country. This is the fifth time CSH has received a New Markets Tax Credit award.

“This NMTC allocation will help forge new partnerships and new beginnings in communities by fulfilling our goals of expanding access to affordable housing and vital healthcare services,” said CSH President and CEO Deborah De Santis. “The positive results and impacts we see in neighborhoods because of NMTC are proof of how valuable these awards are in creating more resilient, healthier communities.”

According to its website, CSH provides tailored, below-market rate financing for affordable housing projects that have a limited ability to carry market rate debt, especially since they usually involve small, local nonprofits and are more often than not planned for neighborhoods that are struggling economically.

CSH has used its prior rounds of New Markets Tax Credits to leverage other sources of capital to finance projects that have created hundreds of affordable housing units. In addition, CSH investments have poured millions of dollars into economically depressed areas and generated close to 3,000 high-quality construction and permanent jobs.

The New Markets Tax Credit program is part of the U.S. Department of the Treasury’s Community Development Financial Institutions Fund and aims to spur economic growth in distressed communities by attracting private investment. It permits individual and corporate taxpayers to receive a non-refundable tax credit against federal income taxes related to these investments.

“The New Markets Tax Credit is a powerful economic development tool that attracts private capital into hard-to-finance businesses in distressed communities nationwide,” said Jodie Harris, the CDFI Fund Director. “Today’s awards will finance projects ranging from large manufacturing plants to grocery and retail stores to housing that will create jobs and provide critically needed goods and services to residents of low-income communities.”

Since December 2000, the NMTC program has awarded \$57.5 billion. For every \$1 investment by the federal government through this program, \$8 of private investment have been generated.

Last year, the \$48.6 billion of NMTC awards created or retained more than 800,000 jobs, constructed and rehabilitated more than 205 million square feet of commercial real estate.