

OFFICE OF THE GOVERNOR
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GOVERNOR CULVER: \$15 MILLION IN DISASTER TAX CREDITS TO SUPPORT HOUSING FOR CEDAR RAPIDS

Housing Tax Credits to Build Affordable Housing for Cedar Rapids

DES MOINES – Governor Chet Culver announced today that Iowa will award more than \$15 million in Housing Tax Credits to finance the construction of a new affordable housing project in an area of Cedar Rapids hit hard by the 2008 floods.

The Cedar Pond Townhomes will be located at 3031 Williams Parkway SW, and have 89 affordable housing units. The project's developer, Gregory McClenahan, was awarded \$1,530,767 in Housing Tax Credits that Iowa received to assist areas affected by the natural disasters of 2008. The actual award exceeds \$15 million because the credits are committed annually for a 10-year period.

"Housing Tax Credits continue to play an integral part in rebuilding and rehabilitating essential housing in Iowa that was lost in last year's natural disasters," said Governor Culver. "Today's award to the Cedar Pond Townhomes will provide dozens of Iowa families with an affordable place they can be proud to call home, while improving the housing needs of a disaster impacted community, supporting jobs, and ultimately building a safer and stronger Iowa."

The Iowa Finance Authority (IFA) has administered the federal Housing Tax Credit Program since its inception in 1986. Iowa received an additional allocation of Housing Tax Credits when Congress passed the Title VII Heartland Disaster Relief Act in October 2008. These credits total more than \$600 million and are available through 2010. Projects in the 78 counties that were declared Presidential Disaster Areas are eligible to receive tax credits from the allocation. IFA accepts Housing Tax Credit applications on an ongoing basis.

Developers who receive Housing Tax Credits sell them to corporate investors to generate equity for the housing developments. For more information on Iowa Housing Tax Credits, including investment information, visit www.IowaFinanceAuthority.gov.

In its history, Iowa's Housing Tax Credit Program has enabled the development or rehabilitation of more than 19,000 affordable housing units throughout the state.

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