

WHEDA Awards \$6.6 Million in State Housing Tax Credits August 23, 2018

Wisconsin Lieutenant Governor Rebecca Kleefisch today announced the award of more than \$6.6 million in State Housing Tax Credits to fund multifamily developments across Wisconsin. The tax credits, which are distributed by the Wisconsin Housing and Economic Development Authority (WHEDA), will move forward nine developments that will create 1,065 units of affordable rental housing.

Lt. Governor Kleefisch made the announcement in Paddock Lake at the construction site of a 2017 federal housing tax credit awardee, Whitetail Ridge. The developer of Whitetail Ridge, Bear Development, received a 2018 State Housing Tax Credit award for Creekside Commons, a 140 unit family development in Pleasant Prairie.

“The new state program is tremendous news for Wisconsin as it provides a tax incentive for private investment in the development of affordable housing,” said Lt. Governor Kleefisch. “The economic benefits are incredible, including the stimulation of quality rental housing, the creation of construction jobs, and a reduction in cost burdens for renters.”

“More than a thousand families will now have the tremendous opportunity to live in affordable housing through the new state tax credit program,” said WHEDA Executive Director Wyman Winston. “Those families living in affordable as opposed to market rate units will literally save millions of dollars over the lifetime of the developments. Those are dollars that go right back into local economies because families can make independent saving or spending decisions thanks to those extra savings.”

“The tax credit initiative provides an additional investment tool for WHEDA to establish meaningful development partnerships throughout the state,” said S.R. Mills, President of Bear Development. “Bear Development is proud to work with Wyman Winston and his team to create more access to workforce housing and stimulate economic growth in this region.”

WHEDA received 15 applications this year representing \$10.4 million in requests. With a total available pool of approximately \$7 million, this demonstrates the continued need for affordable housing in Wisconsin. State tax credits are awarded over a six-year-period and this year’s allocation will generate nearly \$40 million in credits over their lifespan. In exchange for receiving the state tax credits, developers agree to reserve a portion of their housing units for low- and moderate-income households for at least 30 years. Remaining units are rented at market rates to seniors and families without income limits.

The state tax credits will help finance affordable housing units in the following communities: Chippewa Falls, Eau Claire, Fitchburg, Green Bay, Pleasant Prairie, River Falls, Sheboygan and Superior.

WHEDA also administers federal housing tax credits. The new state tax credit program will be matched with \$6.6 million in federal 4% tax credits increasing the leverage and enabling more

affordable housing across the state. Overall, the new state program will generate \$191 million in total development.

Tax credit developments must meet high design and operating standards. Criteria include strong management, excellent development quality, demonstrated market need, provision of services and amenities, proper local zoning and permits and service to households at various income levels.

Go to www.wheda.com for a complete listing of 2018 State Housing Tax Credit awards.

For over 45 years, WHEDA, as an independent state authority, has provided low-cost financing for housing and small business development in Wisconsin. Since 1972, WHEDA has financed more than 73,000 affordable rental units, helped more than 125,800 families purchase a home and made more than 29,000 small business and agricultural loan guarantees. For more information on WHEDA programs, visit wheda.com or call 800-334-6873.