

 Print This Article[Back to web version](#)**BRADENTONHERALD.COM**

Thursday, Jul 30, 2

Posted on Thu, Jul. 30, 2009

Low-income housing may get stimulus funds

By CARL MARIO NUDI
cnudi@bradenton.com

MANATEE — More than \$101 million in economic stimulus funds for affordable housing projects soon will be flowing through a Florida government agency.

U.S. Department of Housing and Urban Development Secretary Shaun Donovan this week said the funds are to help “jump start affordable housing programs in Florida that are currently stalled due to the current economic recession.”

Funds for the Tax Credit Assistance Program will be funneled through the Florida Housing Finance Corp. to finance affordable rental housing projects and to create construction jobs, according to a press release.

Wenston DeSue, executive director of the Bradenton Housing Authority, said his agency will apply for those funds.

“We’re going to compete for these tax credits just like everyone else,” DeSue said. “We have a number of different projects in various stages that may qualify.”

One of those projects is a multi-family complex that will serve more than 100 families, located between Bradenton Village and the new G.D. Rogers Garden Elementary School.

But until the state housing agency releases the rules, none of the local agencies know if they qualify.

Cheri Coryea, director of the Manatee County Neighborhood Services Department, which administers several housing programs, said there are some rental opportunities in the county that the funding may help.

“With some people losing their homes because of foreclosure,” Coryea said, “a lot of people may need to go back to renting to reestablish themselves.

“I think it definitely will be a plus.”

The economic and financial crises the nation is experiencing have created a tight credit situation, and financing for housing has dried up.

Many government housing projects are financed through low-income housing tax credits, which provide incentives for investors to provide capital to developers.

The investors use the tax credits to reduce their tax liability, but with the slowdown in the credit market, many of the investors are staying on the sidelines, causing the value of tax credits to fall.

DeSue said the present value of tax credits is about 65 cents on the dollar, whereas investors are looking for 80 cents on the dollar to make it profitable.

“Because of the decrease in the value of tax credits,” he said, “most states have been giving back federal funds.”

These new funds are designed to bolster the tax credit market by creating quick turnaround deadlines for awarding the grants.

Cecka Rose Green, spokeswoman for the Florida Housing Finance Corp., said the agency plans to award the money through a request-for-proposal procedure, instead of the traditional grant application process.

The rules will be published on the state agency’s Web site, www.floridahousing.org, by Friday, the first day that requests for proposals will be accepted.

The closing date for the proposals is expected to be Aug. 14, after which they will be scored and ranked

during the next 30 days.

HUD has set up rules that expedite the process so that priority will be given to projects that can begin immediately and be completed by Feb. 16, 2012.

© 2009 Bradenton.com and wire service sources. All Rights Reserved. <http://www.bradenton.com>