

October 22, 2019
Boston, MA

State Tax Credit Legislation
H.2498 – State LIHTC Revision Plan

Dear Sir/Madam,

The Planning Office for Urban Affairs (POUA) is a pivotal non-profit development organization in the Northeast with a mission to serve as a community catalyst for social justice. Established in 1969 by the Archdiocese of Boston, POUA has been at the forefront of affordable housing advocacy and development work. Since its inception, POUA has developed nearly 3,000 units of elderly, family, mixed income, and special needs affordable housing, channeling approximately \$617 million dollars of investment into developments throughout metropolitan Boston.

The state low-income housing tax credit (LIHTC) is a vital resource for affordable housing development projects. This dollar-for-dollar tax credit has helped POUA alone create over 400 units of affordable housing and raised over \$25 million of private investment to support the development of affordable housing. LIHTC accounts for the majority (approximately 90%) of all affordable rental housing created in the United States today. With several additional POUA properties under active development, the state low-income housing tax credit will play a crucial role in providing the financial support needed in accomplishing the projects.

The H.2498 bill would allow state LIHTC to be awarded directly to an entity that has committed to providing financing to a project rather than directly to the project owner, including nonprofit organizations. This approach could prove to help nonprofit developers by simplifying the legal structure, reducing legal costs associated with state credit transactions, and reducing federal audit risk currently being imposed upon project developers.

Sincerely,

William H. Grogan
President
Planning Office for Urban Affairs