



CAHEC
Strengthening Communities

Investing in Your Community, in Your Neighborhood, in Your Future

Mechanicsville Cityside Provides a Safe Home and Strong Community for Residents



BY THE NUMBERS

New Construction: 74
Private Equity Investment: \$9,701,025

During Construction
Local Jobs Supported: 90
Local Government Revenue: \$611,832

Projected Ongoing Annual Effect
Local Jobs Supported: 22
Local Government Revenue: \$326,340

The Mechanicsville neighborhood - one of the oldest in Atlanta, GA - got its name from the railroad and locomotive repairmen ("mechanics") that worked in the area. Over time, the once racially diverse, strong working-class community experienced decades of unfortunate economic decline and population loss. To promote community revitalization in this historic neighborhood, the state of Georgia and the city of Atlanta launched the Mechanicsville Cityside Initiative. One success of this initiative was a new Low Income Housing Tax Credit development containing 66 newly constructed single-family homes and the rehabilitation of 8 existing single-family homes.

Developed by the team of Columbia Residential and SUMMECH Community Development Corporation, the Mechanicsville Cityside homes are scattered over a 20-block area throughout the neighborhood. Overall, the development provides 8 two-bedroom, 48 three-bedroom, and 18 four-bedroom single-family detached homes. Columbia Residential, SUMMECH CDC, and the Atlanta Housing Authority have been working together for more than ten years developing affordable housing in the Atlanta community. This latest development will connect the success of past properties with each other and further stabilize the community.

Each single-family unit includes energy star appliances, security systems, spacious floorplans, and washer/dryer hookups. Residents can easily access local community services with several grocery stores, pharmacies, and hospitals less than two miles away. There are multiple bus stops in the neighborhood and a MARTA light-rail station approximately one mile away.

The goal of the Mechanicsville community is to maintain neighborhood stabilization and promote community cohesion. Because of this, residents will have the option to purchase their homes after the 15-year LIHTC compliance period. The construction and renovation of these single-family homes in Mechanicsville has provided a much-needed boost to the community. Families will have a safe, affordable place to live for many years to come in a neighborhood they can proudly call home.



The development's beautiful two story homes are located in the heart of the Mechanicsville neighborhood.



Many community members were on-hand to celebrate the grand opening of the new development.

The Need for Affordable Housing Is Critical

Housing Landscape 2017 from The Center for Housing Policy reveals that in 2015, 46 percent of households spent more than half of their income on housing, almost one-third higher than in 2000. Even though the median income of working renters increased by 11 percent from 2012 to 2015, rents increased by 5.7 percent during that time period, leading to only slight improvements in housing affordability. As we continue to remember the LIHTC program's excellent track record and its essential roll in developing and preserving affordable housing.

What Is the LIHTC?

Created by Congress as part of the Tax Reform Act of 1986, the Low Income Housing Tax Credit (LIHTC) generates private capital investment used to finance the construction and rehabilitation of affordable rental housing for households earning 60% or less of the area median income. According to the Joint Center for Housing Studies at Harvard University, the housing tax credit is "widely regarded as the most successful housing production and preservation program in the nation's history." Since it was enacted, the LIHTC program has led to the development of nearly 2.3 million units of affordable housing.

In addition to providing safe, decent, and affordable housing for working-class families and seniors on limited incomes, the economic impact of the LIHTC program is visible in communities throughout the country. The development of affordable housing increases spending and employment in the local economy. The National Association of Home Builders estimates that for every 100 units constructed with low-income housing tax credits, 116 jobs are created and more than \$3.3 million in federal, state, and local revenue is generated. Moreover, affordable housing can affect an employer's ability to attract and retain employees. LIHTC investment plays a significant role in community revitalization, which in turn can improve economic opportunities for local residents.

Who Is CAHEC?

One of the nation's leading nonprofit equity syndicators, CAHEC helps finance the development of attractive and affordable rental housing. Headquartered in Raleigh, N.C., CAHEC works with investors and developers in eleven states and the District of Columbia to raise and invest capital in affordable housing, historic preservation, and mixed-use community revitalization projects. Since its founding in 1992, CAHEC has raised and committed more than \$2.2 billion toward the development of nearly 31,000 units of affordable housing.

How Tax Credits Flow



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